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FAIRCHILD'S FINANCIAL MANUAL OF RETAIL STORES 1985

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Editor's Note: In order to present a clearer picture of a company's involvement in the Retail field, we have, in some cases, included only those divisions and subsidiaries related to Retail

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1984 STATISTICS FOR LEADING FOOD CHAINS

Company	Sales (000's) 1984	Sales (000's) 1983	% Chg.	Net Income (000's) 1984	Net Income (000's) 1983	% Chg.	% Net Income to Sales 1984	% Net Income to Sales 1983	Pre-Tax Income (000's) 1984	Pre-Tax Income (000's) 1983	Shareholders' Equity (000's) 1984	Shareholders' Equity (000's) 1983	% Net Income to Shareholders' Equity 1984	% Net Income to Shareholders' Equity 1983
Safeway Stores	$19,642,201	$18,585,217	+ 5.69	$185,011	$183,303	+ 0.93	0.94	0.99	$298,822	$300,933	$1,469,023	$1,390,354	12.59	13.18
Kroger Co.	15,922,891	15,236,013	+ 4.51	156,633	127,079	+23.26	0.98	0.83	265,363	211,969	1,148,776	1,072,852	13.63	11.84
Lucky Stores	9,236,529	8,388,155	+10.11	94,631	105,400	−10.22	1.02	1.26	173,417	193,017	609,442	573,619	15.53	18.37
George Weston(A)	8,254,700	7,799,600	+ 5.83	93,500	79,200	+18.06	1.13	1.02	173,700	164,100	754,500	686,300	12.39	11.54
American Stores	7,983,677	7,507,772	+ 6.34	117,902	90,371	+30.46	1.48	1.20	216,129	166,859	451,694	357,455	26.10	25.28
Winn-Dixie	7,302,369	7,018,605	+ 4.04	115,916	113,460	+ 2.16	1.59	1.62	188,192	189,492	608,673	582,823	19.04	19.47
Super Valu (B)	6,547,680	5,727,565	+14.32	107,212	76,732	+39.72	1.64	1.34	157,530	132,573	469,170	384,671	22.85	19.95
Loblaw Cos. (C)	6,419,400	6,091,019	+ 5.39	64,200	52,747	+21.71	1.00	0.87	108,500	102,011	466,200	413,258	13.77	12.76
Great A & P (D)	5,222,013	4,607,817	+13.33	47,551	31,211	+52.35	0.91	0.68	63,951	45,061	375,789	329,372	12.65	9.48
Albertson's	4,735,724	4,279,331	+10.67	79,746	70,281	+13.47	1.68	1.64	147,462	127,362	454,419	391,847	17.55	17.94
Supermarkets General	4,346,680	3,517,548	+23.57	52,424	40,674	+28.89	1.21	1.16	98,205	73,708	287,410	241,595	18.24	16.84
Steinberg's (E)	3,452,275	3,357,942	+ 2.81	15,021	13,392	+12.16	0.44	0.40	30,081	2,599	417,958	393,738	3.59	3.40
Stop & Shop+ (F)	3,247,298	2,790,799	+16.36	54,845	50,801	+ 7.96	1.69	1.82	100,351	88,381	388,830	284,611	14.11	17.85
Oshawa Group	2,665,774	2,434,985	+ 9.48	36,179	25,895	+39.71	1.36	1.06	63,599	45,538	226,084	195,223	16.00	13.26
Giant Food	2,138,789	1,957,435	+ 9.26	45,221	40,511	+11.63	2.11	2.07	82,428	73,246	228,728	193,383	19.77	20.95
Waldbaum's	1,711,923	1,586,895	+ 7.88	13,028	13,940	− 6.54	0.76	0.88	23,348	24,210	128,432	115,411	10.14	12.08
Argcen Holdings (G)	1,572,854	2,204,972	−28.67	(6,159)	31,604	–	–	1.43	(49,820)	22,821	437,564	453,132	–	6.97
First Nat'l. Supermkts.	1,276,976	1,267,563	+ 0.74	(10,806)	8,078	–	–	0.64	(10,806)	11,678	46,097	47,165	–	17.13
Nash Finch	1,238,319	1,142,988	+ 8.34	11,686	11,067	+ 5.59	0.94	0.97	21,169	19,705	100,094	93,404	11.68	11.85
Cullum Cos.	1,228,240	1,126,638	+ 9.02	12,577	13,854	− 9.22	1.02	1.23	21,322	23,248	93,751	85,665	13.42	16.17
Borman's	1,025,920	996,236	+ 2.98	(1,119)	(10,915)	–	–	–	(1,119)	(10,915)	22,797	23,901	–	–
Weis Markets	957,775	891,857	+ 7.39	55,307	50,120	+10.35	5.77	5.62	104,612	95,742	323,509	283,967	17.10	17.65
Pacific Gamble Robinson	842,075	833,199	+ 1.07	1,393	3.121	−55.37	0.17	0.37	2,125	4,619	53,831	55,071	2.59	5.67
Marsh Supermarkets	628,146	604,953	+ 3.83	4,716	1,625	+190.22	0.75	0.27	6,365	1,447	47,537	44,338	9.92	3.67
Shopwell (H)	557,157	511,936	+ 8.83	(1,548)	1,799	–	–	0.35	592	1,783	29,864	31,600	–	5.69
Allied Supermarkets (I)	529,793	575,749	− 7.98	(2,566)	14,814	–	–	–	(2,566)	5,662	52,026	56,083	–	–
Pueblo Intl. (J)	518,335	476,806	+ 8.71	5,105	3,882	+31.50	0.98	0.81	5,578	7,151	47,447	42,840	10.76	9.06
Fisher Foods (K)	503,477	506,420	− 0.58	(5.464)	509	–	–	0.10	(5,744)	(2,443)	70,558	76,115	–	0.67
Foodrama	450,748	439,971	+ 2.45	210	155	+35.48	0.05	0.04	335	125	22,288	22,080	0.94	0.70

NOTE: The criterion for inclusion in this list is that the sales of each chain be at least $400,000,000. In some instances comparative figures for 1983 have been restated for various reasons.

( ) Designates a loss.
NA Not Available.
+ 53 Weeks in 1984; 52 weeks in 1983.
* 52 Weeks in 1984. 53 weeks in 1983.
(A) Net income of George Weston includes extraordinary gains of $4,700,000 in 1984 and $600,000 in 1983.
(B) Net income of Super Valu includes discontinued operations in both years.
(C) Net income of Loblaw Cos. includes extraordinary gains of $3,100,000 in 1984 and $700,000 in 1983.
(D) Net income of Great A & P includes extraordinary gains of $16,150,000 in 1984 and $9,850,000 in 1983.
(E) Net income of Steinberg's includes an extraordinary gain of $1,313,000 in 1983.
(F) Stop & Shop's supermarket segment sales are $1,657,563,000 in 1984 and $1,425,251,000 in 1983.
(G) Net income of Argcen Holdings includes an extraordinary gain of $5,422,000 in 1984.
(H) Net income of Shopwell includes discontinued operations in 1984.
(I) Net income of Allied Supermarkets includes an extraordinary gain of $11,729,000 in 1983.
(J) Net income of Pueblo Int'l. includes extraordinary gains of $1,416,000 in 1984 and $733,000 in 1983.
(K) Net income of Fisher Foods includes an extraordinary gain of $201,000 in 1983.

1984 STATISTICS FOR LEADING DEPARTMENT STORES

Department Stores (000's Omitted) Companies	Sales 1984	Sales 1983	% Chg.	Profits 1984	Profits 1983	% Chg.	Profit To Sales 1984	Profit To Sales 1983	Pre-Tax Profit 1984	Pre-Tax Profit 1983	Shareholders' Equity 1984	Shareholders' Equity 1983	Profit To Aver. Equity
Federated Dept. Stores	$ 9,672,336	$ 8,689,579	+11.3	$ 329,330	$ 338,342	-2.7	3.4	3.9	$ 573,430	$ 601,042	$ 2,544,042	$ 2,333,380	13.5
Dayton Hudson	8,009,000	6,963,300	+15.0	259,300	245,500	+5.6	3.2	3.5	479,300	450,700	1,736,502	1,540,179	15.8
May Dept. Stores	4,762,400	4,190,900	+13.6	214,100	187,000	+14.5	4.5	4.5	394,700	340,500	1,289,200	1,158,500	17.5
R.H. Macy's (1)	4,294,800	3,826,900	+12.2	213,900	212,700	+0.6	5.0	5.6	420,700	421,100	1,284,000	1,101,400	17.9
Associated Dry Goods	4,106,645	3,717,827	+10.5	120,657	115,520	+4.5	2.9	3.1	230,474	221,342	985,469	916,006	12.7
Allied Stores	3,970,000	3,676,000	+8.0	140,733	128,471	+9.5	3.5	3.5	265,233	242,046	1,063,330	964,280	13.9
Carter Hawley Hale (2)	3,724,294	3,101,682	+20.1	89,670	67,485	+32.9	2.4	2.2	128,530	102,285	648,166	783,533	12.5
Batus Retail	3,374,261	3,145,050	+7.2	N/A	N/A				196,070	218,260	N/A	N/A	—
Mercatile Stores	1,706,904	1,625,958	+5.0	84,769	83,222	+1.9	5.0	5.1	161,637	159,523	594,377	526,558	15.1
Dillard Dept. Stores	1,277,280	847,485	+50.7	49,558	34,139	+45.2	3.9	4.0	87,608	59,939	194,672	171,792	14.8
Carson Pirie Scott (3)	1,177,208	877,263	+34.2	27,174	15,383	+76.7	2.3	1.8	44,400	26,600	298,353	185,553	20.5
Strawbridge & Clothier	630,496	545,489	+15.6	24,675	20,856	+18.3	3.9	3.8	49,286	40,817	130,982	159,734	17.0
Elder Beerman Stores	311,926	286,777	+8.8	7,254	7,100	+2.2	2.3	2.5	10,934	10,800	50,465	43,835	15.4
Glosser Bros.	280,079	252,879	+10.8	4,224	4,313	-2.1	1.5	1.7	8,072	8,158	32,912	29,537	13.5
D.H. Holmes Ltd.	271,681	253,844	+7.0	7,523	8,458	-11.0	2.8	3.3	9,909	13,249	69,370	64,855	11.2
Wieboldt Stores	191,216	181,404	+5.4	(1,731)	(3,470)	—	—	—	(3,341)	(6,520)	30,461	32,271	—
Zion's Co-operative	159,572	151,015	+5.7	7,605	3,631	+109.4	4.8	2.4	11,396	7,012	51,205	44,897	15.8
Crowley Milner & Co.	92,927	84,499	+10.0	2,390	1,802	+32.6	2.6	2.1	4,020	3,360	19,111	17,230	13.2
Walker Scott Corp.	40,767	41,974	-2.9	(410)	202	—	—	.5	(820)	312	6,817	7,352	—
Total	48,053,792	42,459,825	+13.2	1,580,721	1,470,654	+7.5	3.3	3.5	3,071,538	2,920,525	11,029,434	10,080,892	15.0

1984 STATISTICS FOR LEADING SPECIALTY STORES

Specialty Stores (000's Omitted) Companies	Sales 1984	Sales 1983	% Chg.	Profits 1984	Profits 1983	% Chg.	Profit To Sales 1984	Profit To Sales 1983	Pre-Tax Profit 1984	Pre-Tax Profit 1983	Shareholder's Equity 1984	Shareholder's Equity 1983	Profit To Aver. Equity
Melville Corp.	$4,423,472	$3,923,219	+12.8	$190,386	$176,259	+8.01	4.3	4.5	$379,451	$347,546	$954,778	$828,040	21.4
U.S. Shoe	1,717,401	1,507,773	+13.9	53,432	75,221	-29.0	3.1	5.0	100,092	142,897	427,828	390,242	13.1
The Limited	1,343,134	1,085,890	+23.7	92,495	70,939	+30.4	6.9	6.5	157,495	134,939	275,403	192,576	39.5
Edison Bros.	1,054,700	1,021,500	+3.2	32,900	48,900	-32.7	3.1	4.8	58,800	94,800	282,600	286,900	11.5
Nordstrom	982,668	787,894	+24.7	40,711	40,239	+1.2	4.1	5.1	72,511	73,839	271,709	237,734	16.0
Petrie Stores(4)	951,106	625,576	+52.0	54,643	47,598	+14.8	5.7	7.6	90,594	77,491	322,673	297,557	17.6
Levitz Furniture	761,778	644,435	+18.2	34,242	27,409	+24.9	4.5	4.3	65,899	51,419	190,127	161,936	19.4
The Gap Stores	534,127	480,515	+11.2	12,230	21,607	-43.4	2.3	4.5	20,515	41,651	126,116	121,249	9.9
Charming Shoppes	297,321	238,398	+24.7	20,226	17,346	+16.6	6.8	7.3	36,041	31,152	89,168	71,980	25.1
Jacobsons	240,689	213,048	+13.0	5,431	4,355	+24.7	2.3	2.0	9,581	7,856	35,662	30,742	16.4
Haverty's Furniture	175,463	155,045	+13.2	6,871	5,346	+28.5	3.9	3.5	12,686	10,057	48,774	43,600	14.9
Merry-Go-Round	158,088	111,784	+41.4	9,825	7,269	+35.2	6.2	6.5	18,710	13,833	27,642	17,597	43.4
Deb Shoppes	120,405	95,514	+26.1	7,850	7,054	+11.3	6.5	7.4	15,274	14,811	29,734	22,939	29.8
Paul Harris	111,175	101,053	+10.0	4,019	3,398	+18.3	3.6	3.4	7,395	6,360	22,912	18,773	19.3
Sterchi Bros. Stores	48,230	45,214	+6.7	2,504	2,129	+17.6	5.2	4.7	4,733	4,159	28,698	27,190	9.0
Kenwin Shops	28,655	27,576	+3.9	1,007	509	+97.8	3.5	1.8	1,641	951	7,906	7,233	13.3
Total	12,948,412	11,064,434	+17.0	568,772	555,578	+2.4	4.4	5.0	1,051,418	1,053,761	3,141,730	2,756,288	19.3

FOOTNOTES:

1. Figures adjusted to conform with January 31 fiscal year.
2. Earnings include an after-tax gain of $62,540,000 from the sale of Waldenbooks profits in 1983.
3. Profits include operations of the County Seat Stores and the MacDonald Cos. acquired in 1984.
4. Profits include operations of the Miller Wohl Company, acquired in June, 1984.

(Reprinted from Daily News Record – August 28, 1985)

1984 STATISTICS FOR LEADING DRUG CHAINS

Company	Sales (000's)		% Chg.	Net Income (000's)		% Chg.	% Net Income to Sales		Pre-Tax Income (000's)		Shareholders' Equity (000's)		% Net Income to Shareholders' Equity	
	1984	1983		1984	1983		1984	1983	1984	1983	1984	1983	1984	1983
Kroger (A)	$15,922,891	$15,236,013	+ 4.51	$156,633	$127,079	+23.26	0.98	0.83	$265,363	$211,969	$1,148,776	$1,072,852	13.63	11.84
Imasco (B)	4,353,254	2,873,151	+51.51	234,108	205,080	+14.15	5.38	7.14	365,424	302,486	1,325,781	988,021	17.66	20.76
Walgreen	2,744,625	2,360,614	+16.27	85,446	69,789	+22.43	3.11	2.96	149,983	120,549	414,618	351,705	20.61	19.84
Jack Eckerd (C)	2,622,484	2,325,044	+12.79	85,374	71,731	+19.02	3.26	3.09	154,360	130,184	618,812	568,292	13.80	12.62
Revco D.S.	2,227,510	1,839,062	+21.12	93,411	68,072	+37.22	4.19	3.70	174,544	125,352	447,126	374,158	20.89	18.19
Rite Aid*	1,445,682	1,223,265	+18.18	69,936	74,261	– 5.82	4.84	6.07	127,926	112,431	662,205	323,797	10.56	22.93
Longs Drug	1,375,769	1,214,443	+13.28	40,094	36,387	+10.19	2.91	3.00	78,294	71,037	260,907	224,402	15.37	16.22
Thrifty Corp.	1,299,258	1,187,813	+ 9.38	27,921	22,503	+24.08	2.15	1.89	54,575	41,778	154,040	135,962	18.13	16.55
Pay'n Save	1,220,521	1,091,287	+11.84	30,104	19,593	+53.65	2.47	1.80	56,355	35,880	218,905	165,640	13.75	11.83
Dart Drugs (D)	282,940	261,525	+ 8.19	15,325	17,412	–11.99	5.42	6.66	32,759	16,681	89,442	47,892	17.13	36.36

NOTE: The criterion for inclusion in this list is that the sales of the chain be at least $200,000,000.

( ) Designates a loss.
+ 53 weeks in 1984; 52 weeks in 1983.
* 52 weeks in 1984; 53 weeks in 1983.
N.A. – Not Available.

(A) Kroger's drug store segment sales totaled $859,000,000 in 1984 and $789,000,000 in 1983.
(B) Sales of Peoples Drug Stores totaled $1,026,964,000 in 1984 and $791,147,000 in 1983. Net income of Imasco includes an extraordinary gain of $10,908,000 in 1983.
(C) Sales of Jack Eckerd include operating revenues.
(D) Net income of Dart Drugs includes an extraordinary gain of $8,300,000 in 1983.

1984 STATISTICS FOR LEADING SHOE CHAINS

Company	Sales (000's)		% Chg.	Net Income (000's)		% Chg.	% Net Income to Sales		Pre-Tax Income (000's)		Shareholders' Equity (000's)		% Net Income to Shareholders' Equity	
	1984	1983		1984	1983		1984	1983	1984	1983	1984	1983	1984	1983
Melville Corp. (A)	$4,423,472	$3,923,220	+12.75	$190,386	$176,260	+ 8.01	4.30	4.49	$379,452	$347,547	$954,778	$828,041	19.94	21.29
INTERCO (B)	2,625,746	2,678,886	– 1.98	72,163	116,194	–37.89	2.75	4.34	144,103	221,021	1,064,764	1,100,963	6.78	10.55
United States Shoe (C)	1,717,401	1,507,773	+13.90	53,432	75,221	–28.97	3.11	4.99	100,092	142,897	427,828	390,242	12.49	19.28
Brown Group+ (D)	1,571,660	1,500,504	+ 4.74	54,063	67,199	–19.55	3.44	4.48	99,027	122,087	400,211	389,821	13.51	17.24
SCOA (E)	1,423,613	1,304,579	+ 9.12	41,027	41,812	– 1.88	2.88	3.21	75,410	76,717	178,652	205,287	22.96	20.37
Edison Bros. (F)	1,054,700	1,021,500	+ 3.25	32,900	48,900	–32.72	3.12	4.79	58,800	94,800	282,600	286,900	11.64	17.04
Nordstrom	982,668	787,894	+24.72	40,711	40,239	+ 1.17	4.14	5.11	72,511	73,839	271,709	237,734	14.98	16.93
Genesco (G)	606,254	639,761	– 5.24	18,745	(1,971)	–	3.09	–	18,678	(312)	93,998	70,913	19.94	–
Morse Shoe	526,546	522,964	+ 0.68	9,092	19,181	–52.60	1.73	3.67	13,075	32,297	130,554	125,665	6.96	15.26

NOTE: The criterion for inclusion in this list is that the sales of the chain be at least $200,000,000.

( ) Designates a loss.
+ 53 weeks in 1984; 52 weeks in 1983.
* 52 weeks in 1984; 53 weeks in 1982.
N.A. – Not Available.
(A) Sales of Melville Corporation's footwear division totaled $1,423,271,000 in 1984 and $1,338,832,000 in 1983.
(B) Sales of INTERCO's footwear division totaled $580,467,000 in 1984 and $565,891,000 in 1983.
(C) Sales of U.S. Shoe's footwear division totaled $905,906,000 in 1984 and $765,838,000 in 1983.
(D) Sales of Brown Group's footwear division totaled $1,127,544,000 in 1984 and $1,055,337,000 in 1983.
(E) Sales of SCOA's footwear division totaled $221,670,000 in 1984 and $224,783,000 in 1983.
(F) Sales of Edison Bros.' footwear division totaled $513,800,000 in 1984 and $539,700,000 in 1983.
(G) Sales of Genesco's footwear division totaled $463,333,000 in 1984 and $448,160,000 in 1983. Net income includes discontinued operations in 1984 and extraordinary gains of $3,395,000 in 1984 and $1,001,000 in 1983.

1984 STATISTICS FOR LEADING MASS MERCHANDISERS

Mass Merchandisers (000's Omitted) Companies	Sales 1984	Sales 1983	% Chg.	Profits 1984	Profits 1983	% Chg.	Profit To Sales 1984	Profit To Sales 1983	Pre-Tax Profit 1984	Pre-Tax Profit 1983	Shareholders' Equity 1984	Shareholders' Equity 1983	Profit To Aver. Equity
Sears Roebuck (1)	$26,508,100	$25,089,300	+5.7	$905,200	$781,400	+15.8	3.4	3.1	$1,694,800	$1,440,000	$6,681,100	$5,432,300	14.9
K Mart	21,095,900	18,597,900	+13.4	499,100	492,300	+1.4	2.4	2.7	820,000	853,700	3,233,800	2,940,100	16.2
J.C. Penney	13,451,000	12,078,000	+11.4	435,000	467,000	-6.8	3.2	3.9	697,000	786,000	3,812,000	3,559,000	11.8
Montgomery Ward (2)	7,138,000	6,646,000	7.4	53,000	40,000	+32.5	0.7	0.6	78,000	56,000	N/A	N/A	N/A
F.W. Woolworth	5,737,000	5,456,000	+5.2	141,000	118,000	+19.5	2.5	2.2	251,000	207,000	1,051,000	1,030,000	13.6
Total	$73,930,000	$67,867,200	+8.9	$2,033,300	$1,898,700	+7.1	2.8	2.8	$3,540,800	$3,342,700	$14,777,900	$12,961,400	14.7

1984 STATISTICS FOR LEADING DISCOUNT STORES

Discounters (000's Omitted) Companies	Sales 1984	Sales 1983	% Chg.	Profits 1984	Profits 1983	% Chg.	Profit To Sales 1984	Profit To Sales 1983	Pre-Tax Profit 1984	Pre-Tax Profit 1983	Shareholders' Equity 1984	Shareholders' Equity 1983	Profit To Aver. Equity
Wal-Mart Stores Inc.	$6,400,861	$4,666,909	+37.2	$270,767	$196,244	+38.0	4.2	4.2	$501,420	$357,147	$984,672	$737,503	31.4
Zayre Corp.	3,123,008	2,613,667	+19.5	80,316	61,426	+30.7	2.6	2.3	150,702	113,737	468,071	395,457	18.6
Roses Stores Inc.	927,395	829,286	+11.8	23,898	21,886	+9.2	2.6	2.6	41,898	39,886	144,130	124,026	17.8
Ames Dept. Stores	821,985	647,256	+27.0	28,516	19,886	+43.4	3.5	3.1	50,041	33,716	98,829	79,382	32.0
Hecks	464,734	435,056	+6.8	(7,782)	9,554	–	–	2.2	(16,780)	17,497	98,026	113,392	–
Jamesway	475,406	416,773	+14.1	13,264	11,509	+15.3	2.8	2.8	24,653	21,073	88,370	63,497	17.5
Family Dollar	340,919	264,440	+28.9	23,557	15,726	+49.8	6.9	5.9	44,476	30,237	90,999	69,956	29.3
Danner's Inc.	189,022	166,066	+13.8	238	(895)	–	.1	–	387	(1,498)	10,430	10,290	2.3
Total	$12,743,330	$10,039,453	+26.9	$432,774	$335,336	+29.1	3.4	3.3	$796,797	$611,795	$1,983,527	$1,593,503	24.2

1984 STATISTICS FOR OTHER LEADING RETAILERS

Miscellaneous (000's Omitted) Companies	Sales 1984	Sales 1983	% Chg.	Profits 1984	Profits 1983	% Chg.	Profit To Sales 1984	Profit To Sales 1983	Pre-Tax Profit 1984	Pre-Tax Profit 1983	Shareholders' Equity 1984	Shareholders' Equity 1983	Profit To Aver. Equity
Household Int'l (1)	$8,321,500	$7,911,900	+5.2	$234,100	$206,400	+13.4	2.8	2.6	$382,600	$368,900	$1,526,700	$1,429,600	15.8
The Shop & Shop Cos.	3,247,298	2,790,799	+16.4	54,845	50,801	+8.0	1.7	1.8	100,351	88,381	388,830	284,611	16.3
Interco	2,625,746	2,678,886	-2.0	72,163	116,194	-37.9	2.7	4.3	144,103	221,021	1,064,764	1,100,963	6.7
Rapid American Corp.	1,751,100	1,442,500	+21.4	(7,900)	12,900	–	–	0.9	(12,680)	93,935	76,446	96,763	–
Scoa	1,423,613	1,304,579	+9.1	41,027	41,812	-1.9	2.9	3.2	75,410	76,717	178,652	205,287	21.4
Pay'N Save Corp.	1,220,521	1,091,287	+11.8	30,104	19,593	+53.7	2.5	1.8	56,355	35,880	218,915	165,640	15.7
Beneficial Corp. (1)	697,700	650,300	+7.3	16,600	15,500	+7.1	2.4	2.4	30,100	26,100	186,100	186,500	8.9
Dollar General	480,514	346,655	+38.6	20,598	15,126	+36.2	4.3	4.4	39,998	29,676	93,916	76,582	24.2
Total	$19,767,992	$18,216,906	+8.5	$461,537	$478,326	-3.5	2.3	2.6	$816,237	$940,610	$3,734,323	$3,545,946	12.7

FOOTNOTES:

1. Merchandising group only.
2. A subsidiary of Mobil Corp.

(Reprinted from Daily News Record – August 23, 1985)

LEADING FOOD CHAIN AVERAGES

(Average)	1984	1983	% Change
Sales	$4,143,439,000	$3,878,137,000	+ 6.84
Net Income	46,288,000	42,921,000	+ 7.84
Pre-Tax Income	78,728,000	73,161,000	+ 7.61
Shareholders' Equity	339,051,000	307,651,000	+10.21
% Net Income to Sales	1.12	1.11	+ 0.90
% Net Income to Shareholders' Equity	13.65	13.95	– 2.15

LEADING DRUG CHAIN AVERAGES

(Average)	1984	1983	% Change
Sales	$3,349,493,000	$2,961,222,000	+13.11
Net Income	83,835,000	71,191,000	+17.76
Pre-Tax Income	145,958,000	116,835,000	+24.93
Shareholders' Equity	534,061,000	425,272,000	+25.58
% Net Income to Sales	2.50	2.40	+ 4.17
% Net Income to Shareholders' Equity	15.70	16.74	– 6.21

LEADING SHOE CHAIN AVERAGES

(Average)	1984	1983	% Change
Sales	$1,659,118,000	$1,543,009,000	+ 7.52
Net Income	56,947,000	64,782,000	–12.09
Pre-Tax Income	106,794,000	123,433,000	–13.48
Shareholders' Equity	422,788,000	403,952,000	+ 4.66
% Net Income Sales	3.43	4.20	–18.33
% Net Income to Shareholders' Equity	13.47	16.04	–16.02

LEADING FOOD CHAIN HISTORICAL AVERAGES

(Average)	Sales	Net Income
1984	$4,143,439,000	$46,288,000
1983	3,878,137,000	42,921,000
1982	3,642,425,000	37,662,000
1981	3,377,345,000	34,437,000
1980	2,989,624,000	29,390,000
1979	2,520,472,000	19,965,000
1978	2,345,823,000	21,389,000
1977	1,973,834,000	16,623,000
1976	1,848,133,000	12,790,000
1975	1,638,038,000	13,790,000

LEADING DRUG CHAIN HISTORICAL AVERAGES

(Average)	Sales	Net Income
1984	$3,349,493,000	$83,835,000
1983	2,961,222,000	71,191,000
1982	1,473,850,000	36,843,000
1981	1,326,068,000	33,488,000
1980	1,154,711,000	27,073,000
1979	611,382,000	16,477,000
1978	568,427,000	14,646,000
1977	497,001,000	12,023,000
1976	415,279,000	10,003,000
1975	361,847,000	7,583,000

LEADING SHOE CHAIN HISTORICAL AVERAGES

(Average)	Sales	Net Income
1984	$1,659,118,000	$56,947,000
1983	1,543,009,000	64,782,000
1982	1,363,954,000	48,090,000
1981	1,277,904,000	55,256,000
1980	1,130,326,000	48,644,000
1979	986,516,000	45,213,000
1978	874,593,000	39,677,000
1977	758,527,000	32,401,000
1976	677,556,000	28,959,000
1975	574,267,000	21,935,000

LEADING DEPARTMENT STORE AVERAGES

(Average)	1984	1983	% Change
Sales	$2,529,147,000	$2,234,728,000	+13.2%
Net Income	87,818,000	81,703,000	+7.5
Pre-Tax Income	161,660,000	153,712,000	+5.2
Shareholders' Equity	612,746,000	530,573,000	+15.5
% Net Income to Sales	3.5	3.7	-5.4
% Net Income to Shareholders' Equity	14.3	15.4	-7.1

LEADING SPECIALTY STORE AVERAGES

(Average)	1984	1983	% Change
Sales	$809,276,000	$691,527,000	+17.0%
Net Income	35,548,000	34,724,000	+2.4
Pre-Tax Income	65,714,000	65,860,000	-0.2
Shareholders' Equity	196,358,000	172,268,000	+14.0
% Net Income to Sales	4.4	5.0	-12.0
% Net Income to Shareholders' Equity	18.1	20.2	-10.4

LEADING MASS MERCHANDISE AVERAGES

(Average)	1984	1983	% Change
Sales	$14,786,000,000	$13,573,440,000	+8.9%
Net Income	406,660,000	379,740,000	+7.1
Pre-Tax Income	708,160,000	668,540,000	+5.9
Shareholders' Equity	2,955,580,000	2,592,280,000	+14.0
% Net income to Sales	2.8	2.8	-1.7
% Net Income to Shareholders' Equity	13.8	14.6	-5.5

LEADING DISCOUNTER AVERAGES

(Average)	1984	1983	% Change
Sales	$1,592,916,000	$1,254,932,000	+26.9%
Net Income	54,097,000	41,917,000	+29.1
Pre-Tax Income	99,600,000	76,474,000	+30.2
Shareholders' Equity	247,941,000	199,188,000	+24.5
% Net Income to Sales	3.4	3.3	+3.0
% Net Income to Shareholders' Equity	21.8	21.0	+3.8

OTHER LEADING RETAILER AVERAGES

(Average)	1984	1983	% Change
Sales	$2,470,999,000	$2,277,113,000	+8.5%
Net Income	57,692,000	59,791,000	-3.5
Pre-Tax Income	102,030,000	117,576,000	-13.2
Shareholders' Equity	466,790,000	443,243,000	+5.3
% Net Income to Sales	2.3	2.6	-11.5
% Net Income to Shareholders' Equity	12.4	13.5	-8.1

Adams Drug Co., Inc.

75 Sabin Street
Pawtucket, Rhode Island 02860
(401) 724-9500

Officers: Donald Salmanson, president; Charles Salmanson, treasurer; Jerrold Salmanson, secretary; James Salmanson, exec. v.p.; Arthur Villeneuve, George Neville, Gary G. Remley, senior vice presidents; Charles P. Arnis, Robert Diodicio, Douglas Palmucci, George Piquette, vice presidents; Saul Davidson, Stanley Patola, Philip Rudnick, Alan C. Salmanson, Stephen A. Todell, asst. v.p.s.

Directors: Donald Salmanson, Charles Salmanson, Samuel Salmanson, Thelma S. Rodbell, Clarke Simonds, Clarence H. Gifford, Jr.

Business Activities: Operates drug and health and beauty aid stores in Connecticut, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont. The stores are operated principally under the names "Brooks," "Adams Drug Stores," "Whelan Drug," "MD," "Nescott Drug," "Sun Drug" and "Eckerd Drug."

Subsidiaries:

Ostel Stores Corporation
Operates 150 "MD" drug stores in the New England and Mid-Atlantic States.

Transfer Agent(s):

Fleet Industrial National Bank
Providence, Rhode Island

Bradford Trust Company
New York, New York

Stock Exchange(s): New York

Ticker Symbol: ADG

Number of Stores: (at fiscal year end)

1983	420	1980	391
1982	420	1979	411
1981	481		

Sales and Earnings

	Net Sales	Net Income
1983	$ 302,133,000	$ 7,117,000
1982	286,247,000	4,555,000
1981	242,489,146	3,436,743
1980	207,113,822	3,127,433
1979	175,754,174	2,478,742

	No. of Com. Shares	Earn. per Share *
1983	4,076,150	$ 1.74
1982	4,097,634	1.12
1981	4,065,594	0.84
1980	4,063,363	0.77
1979	4,062,500	0.61

* Based on the weighted average number of common shares outstanding and common share equivalents from dilutive stock options.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$0.04	—	—
1982	0.04	—	—
1981	0.04	—	—
1980	0.04	—	—
1979	0.04	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 46,739,000	$ 11.41
1982	39,704,000	9.74
1981	35,271,897	8.68
1980	31,986,145	7.87
1979	29,119,212	7.17

Income Account *

Year ended Dec. 31	1983	1982
Net sales	$ 302,133,000	$ 286,247,000
Cost of sales	218,342,000	211,034,000
Expenses	67,144,000	63,956,000
Interest expense	4,692,000	3,056,000
Other income	(2,172,000)	(1,114,000)
Income before taxes	$ 14,127,000	$ 8,557,000
Income taxes	7,010,000	4,002,000
Net Income	$ 7,117,000	$ 4,555,000

* Included in Costs and Expenses: Depreciation and Amortization: $2,749,000 in 1983 and $2,273,000 in 1982.

Assets

As of Dec. 31	1983	1982
Cash & Cert. of deposit	$ 15,540,000	$ 15,767,000
Accts. receiv. — net	7,131,000	6,583,000
*Inventories	60,879,000	56,981,000
Prepaid expenses	824,000	578,000
Current Assets	$ 84,374,000	$ 79,909,000
#Fixed assets	19,800,000	19,722,000
Other assets	580,000	535,000
Intangibles	190,000	471,000
Total Assets	$ 104,944,000	$ 100,637,000

Liabilities

Long-term debt — curr.	$ 1,256,000	$ 1,173,000
Accts. payable	11,775,000	14,522,000
Accrued payroll	3,030,000	2,775,000
Income taxes	3,246,000	2,075,000
Other taxes	2,895,000	3,276,000
Other liab.	4,076,000	3,630,000
Curr. Liabilities	$ 26,278,000	$ 25,451,000
Long-term debt	31,927,000	32,582,000
+ Common stock	410,000	408,000
Add. paid-in capital	130,000	50,000
Retained earnings	46,199,000	39,704,000
Total Liabilities & Shareholders' Equity	$ 104,944,000	$ 100,637,000

* At cost (LIFO)
# Less accumulated depreciation and amortization
+ $0.10 par value

Statistical Summary

% Income bef. Taxes to Sales	4.68	2.99
% Net Income to Sales	2.36	1.59
% Net Income to Equity	15.23	11.47
Sales to Inventories	4.96	5.02
Working Capital	$58,096,000	$51,558,000
Current Ratio	3.21	2.82
Shareholders' Equity	$46,739,000	$39,704,000

Albertson's, Inc.

P.O. Box 20
250 Parkcenter Boulevard
Boise, Idaho 83726
(208) 344-7441

Officers: J.A. Albertson, chairman of the exec. committee; Warren E. McCain, chairman of the board & chief exec. officer; John B. Carley, president; Kenneth R. Huff, exec. v.p.-retail support systems; John H. Sheehan, exec. v.p.-retail operations; Gary G. Michael, vice-chairman & chief financial & corporate development officer; C. Clint Joyce, sr. v.p.-management information systems; Alec R. Gloth, sr. v.p.-store planning; Michael F. Reuling, sr. v.p.-real estate; Gerald R. Rudd, sr. v.p.-human resources; Wendell E. Hornecker, sr. v.p.-design & construction; Thomas R. Saldin, sr. v.p. & general counsel; W.L. Jordon, sr. v.p.-corp. merchandising; vice presidents: Pamela J. Beaumont-marketing; Robert C. Braun-distribution; David L. Connolly-treasurer; Harvey S. Durand-drug sales; Dennis R. Graves, v.p.-general merchandise sales; Peter W. Gustavsen-distribution; James L. Jackson-dairy operations; Alfred A. Kasner-grocery sales; Kenneth R. Kramer-service delicatessen sales; Lee F. Levy-private label operations; Leland M. Pollock-meat sales; M. Jed Pritchett, Jr.-industrial relations; Richard C. Rowe-produce & liquor sales; Patrick S. Steele-systems; Jerry R. Timm-controller; Steven D. Young-personnel; Robert R. Wilt-meat operations; Minnie O. Armstrong-secretary; Ada A. Connor, Carol L. Wood, asst. secretaries.

Directors: J.A. Albertson, Kathryn Albertson, R.V. Hansberger, B.Z. Kastler, Warren E. McCain, John B. Fery, Charles D. Lein, John B. Carley, W.H. McMurren, Gary G. Michael, David Little, James E. Bruce, Cecil D. Andrus.

Business Activities: Operates a chain of food centers in Idaho, California, Montana, Nevada, Oregon, Utah, Washington, Nebraska, Wyoming, Colorado, Arizona and New Mexico.

Operates a chain of supermarkets in 17 western and southern states, broken down into 272 conventional supermarkets, 45 superstores, 85 combination food-drug units, and 14 special supermarkets called "The Grocery Warehouse."

Transfer Agent(s):

Morgan Guaranty Trust Company
of New York
New York, New York

The Idaho First National Bank
Boise, Idaho

Stock Exchange(s): New York, Pacific

Ticker Symbol: ABS

Number of Stores: (at fiscal year end)

1984	434	1981	412
1983	432	1980	396
1982	416		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1985	$ 4,735,724	$ 79,746
1984	4,279,331	70,281
1983*	3,940,117	58,375
1982	3,480,570	48,478
1981	3,039,129	40,690

	No. of Com. Shares ‡	Earn. per Share ‡
1985	32,951,888	$ 2.42
1984	32,728,664	2.15
1983*	30,631,626	1.91
1982	30,837,334	1.57
1981	30,855,332	1.32

* 53 weeks
‡ Based on the average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.68	—	—
1984	0.60	—	2-for-1
1983	0.50	—	—
1982	0.44	—	—
1981	0.40	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 454,419,000	$ 13.75
1984	391,847,000	11.93
1983	340,348,000	10.44
1982	238,792,000	8.03
1981	202,814,000	6.83

Income Account *
(000's)

Year ended	1/31/85	2/2/84
Net sales	$ 4,735,724	$ 4,279,331
Cost of sales	3,692,521	3,326,799
Expenses	895,323	821,290
Interest expense	3,328	7,643
Other income	(2,900)	(3,763)
Income before taxes	$ 147,462	$ 127,362
Income taxes	67,716	57,081
Net Income	$ 79,746	$ 70,281

* Included in Costs and Expenses: Depreciation and Amortization: $51,428,000 in 1985 and $44,921,000 in 1984.

Assets
(000's)

As of	1/31/85	2/2/84
Cash & short-term securities	$ 201,138	$ 157,698
Accts. & notes receiv., net	35,739	42,976
*Inventories	266,906	253,740
Prepaid expenses	5,111	5,309
Property held for resale		29,950
Deferred inc. tax benefits	20,885	16,922
Current Assets	$ 529,779	$ 506,595
#Fixed assets	482,789	389,259
Other assets	20,308	37,762
Deferred income tax benefits		2,044
Total Assets	$ 1,032,876	$ 935,660

Liabilities
(000's)

Long-term debt, curr	$ 5,291	$ 5,501
Accts. payable	249,397	230,490
Accrued payroll	38,870	36,981
Income taxes	11,743	6,707
Other taxes	15,331	14,912
Oblig. under cap. leases, curr	3,974	3,966
Other liab	10,574	8,097
Curr. Liabilities	$ 335,180	$ 306,654
Long-term debt	82,185	83,025
Oblig. under cap. leases	112,050	116,644
Deferred income taxes	1,776	
Deferred invest. credit	16,794	16,664
Deferred rents payable	20,836	12,646
Deferred compensation	9,636	8,180
+ Common stock	33,057	32,846
Add. paid-in capital	74,668	71,051
Retained earnings	346,694	287,950
Total Liabilities & Shareholders' Equity	$ 1,032,876	$ 935,660

* At LIFO cost.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.11	2.98
%Net Income to Sales	1.68	1.64
%Net Income to Equity	17.55	17.94
Sales to Inventories	17.74	16.87
Working Capital	$194,599,000	$199,941,000
Current Ratio	1.58	1.65
Shareholders' Equity	$454,419,000	$391,847,000

Alexander's, Inc.

500 Seventh Avenue
New York, New York 10018
(212) 560-2121

Officers: Robin L. Farkas, chairman of the board; Bruce R. Farkas, chairman of the executive committee, vice chairman of the board & chief operating officer; Roger A. Barter, exec. v.p. & general manager; Walter S. Freydman, exec. v.p. finance & secretary; Louis Powell, exec. v.p. merchandising; Robert Gruber, sr. v.p. operations; Leon Peck, sr. v.p. & controller; Frances S. Leichtman, sr. v.p. div. mdse. mgr.; Jean R. Carstens; Murray Cohen; Joseph Kramer; David C. Rubin; Robert G. Spevak, vice presidents & divisional merchandise managers; John A. Donovan, v.p. personnel planning & research; Donald W. Madsen, v.p. construction & plant; Stephen L. Markowitz, v.p. human resources; Raphael Present, v.p. director of stores; Albert Sandman, v.p. security; Donald Sharon, v.p. & director of warehouses; Eugene A. Tooker, v.p. employee relations; Harvey B. Wyton, v.p. store planning; Thomas M. Coleman, v.p. financial administration; Patrick F. Raccioppi, v.p. advertising director; Brian M. Kurtz, v.p. group controller; Myles D. Wilson, v.p. management information services; Herbert Paul, tax counsel.

Directors: Robin L. Farkas*, chairman of the board; Bruce R. Farkas*; Roger Barter; Walter S. Freydman; David A. Goldberg*; Eugene M. Lang*; Neil Underberg*; Milton L. Meckelstein; Martin Rosman; Stephen Mann; Thomas R. DiBenedetto; Philip Gordon; David G. Marshall; Robert A. Moor; Arthur F. Sonnenblick; Molly M. Smith; Richard West.

* Member of the Executive Committee.

Business Activities: Operates a chain of department stores in the greater New York Metropolitan area.

Transfer Agent(s):

Manufacturers Hanover Trust Co.
Manufacturers' Stock Transfer Department
P.O. Box 24935
Church Street Station
New York, N.Y. 10249

Stock Exchange(s): New York

Ticker Symbol: ALX

Number of Stores: (at fiscal year end)

1984	15	1981	16
1983	15	1980	15
1982	16		

Sales and Earnings

	Net Sales	Net Income
1984	$ 517,336,000	$ 4,009,000
1983	511,336,000	4,633,000
1982	506,781,000	3,222,000
1981	523,552,000	(9,568,000)
1980	505,086,000	1,053,000

	No. of Com. Shares	Earn. per Share #
1984	4,519,168	$ 0.89
1983	4,519,168	1.03
1982	4,519,168	0.71
1981	4,519,168	
1980	4,519,168	0.23

( ) Loss
† Including leased departments.
# Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —		
1983	—		
1982	—		
1981	0.10		
1980	0.40		

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 67,902,000	$ 15.03
1983	63,893,000	14.14
1982	59,260,000	13.11
1981	56,038,000	12.40
1980	66,058,000	14.62

Income Account *
(000's)

Year ended	7/28/84	7/30/83
Net sales	$ 517,336	$ 511,336
Cost of sales	384,739	374,260
Expenses	121,442	123,582
Interest expense	5,606	6,196
Income before taxes	$ 5,654	$ 8,298
Income taxes	1,645	3,665
Net Income	$ 4,009	$ 4,633

* Included in Costs and Expenses: Depreciation and Amortization: $7,250,000 in 1984 and $7,130,000 in 1983.

Assets
(000's)

As of	7/28/84	7/30/83
Cash	$ 3,829	$ 3,584
Short-term invest.	7,000	4,000
*Inventories	54,469	55,628
Other curr. assets	7,584	7,298
Current Assets	$ 72,882	$ 70,510
#Fixed assets	90,637	93,588
Other assets	11,908	13,180
Total Assets	$ 175,427	$ 177,278

Liabilities
(000's)

Long-term debt, curr	$ 5,016	$ 4,246
Accts. payable	21,403	21,848
Income taxes	119	2,136
Other taxes	4,477	4,458
Curr. Liabilities	$ 31,015	$ 32,688
Long-term debt	69,212	74,445
Deferred inc. taxes	7,298	6,252
+ Common stock	4,717	4,717
Add. paid-in capital	9,498	9,498
Retained earnings	54,786	50,777
Treasury stock	(1,099)	(1,099)
Total Liabilities & Shareholders' Equity	$ 175,427	$ 177,278

* At lower of cost (FIFO) or market, as determined by the retail inventory method.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.09	1.62
%Net Income to Sales	0.77	0.91
%Net Income to Equity	5.90	7.25
Sales to Inventories	9.50	9.19
Working Capital	$41,867,000	$37,822,000
Current Ratio	2.35	2.16
Shareholders' Equity	$67,902,000	$63,893,000

Allied Stores Corporation

1114 Avenue of the Americas
New York, New York 10036
(212) 764-2000

Officers: Thomas M. Macioce, president & chief executive officer; John T. Cullen, sr. exec. v.p.; Donald F. Dunn, sr. v.p. & exec. group mgr.; Howard E. Hassler, exec. v.p.-finance; James A. Walsh, sr. v.p. & exec. group mgr.; William J. Stapleton, v.p.-EDP services and management information services; Joseph J. Calandro, Jr., v.p.-taxes; Frank R. D'Elia, sr. v.p., secretary & corp. attorney; Patrick R. Edwards, sr. v.p.-admin. & operations; Benjamin Frank, sr. v.p.-legal & gov't. affairs; Frank S. Fuino Jr., v.p. & treasurer; Frank W. Harvey, sr. v.p., exec. group mgr. & pres. of Maas Brothers, Joseph M. Lesser, sr. v.p. & exec. group mgr.; B. Robert Meyer, v.p. & exec. grp. mgr.; Ruben L. Slape, v.p. credit; Alfred J. Schwarz, v.p. personnel & exec. development; Frank T. Reilly, sr. v.p. & president of Brooks Brothers; Frank P. Wilson, v.p. construction & store planning; Frank J. Zamboni, v.p. real estate; JoAnn Abina, asst. v.p.; John P. Murphy, v.p. financial & security audit; Elliot J. Stone, v.p. & pres. of Jordan Marsh, Boston; Lawrence Stone, v.p. & pres. of Stern's; William S. Ruben, v.p. & president Bonwit Teller; Orren F. Knauer, v.p. investor relations; Robert J. Strechay, controller; Lawrence Saunders, asst. treasurer.

Directors: Milton P. Brown*, Leonard H. Goldenson, George C. Kern, Jr.*, Lillian Berkman, Thomas M. Macioce*, Donald F. Dunn, John T. Cullen, Howard E. Hassler, George A. Roeder, Jr., Franklin A. Thomas*, James A. Walsh, Frank A. Bennack, Jr., Frank T. Reilly, William A. Marquard, Theodore C. Rogers, John P. Diesel.

* Member of the Executive Committee.

Business Activities: Owns and operates department stores and specialty stores.

Department Stores:

New England

Jordan Marsh
Operates 17 stores in the New England states.

Read's
Operates 6 stores, primarily in Connecticut.

Mid Atlantic

Stern's
Operates 17 stores in New Jersey and on Long Island, New York.

Pomeroy's
Operates 15 stores primarily in Eastern Pennsylvania.

Dey's
Operates 4 stores in the Syracuse, New York area.

Southeast

Maas Brothers
Operates 19 stores on the west coast of Florida.

Jordan Marsh
Operates 18 stores on the east coast of Florida.

Miller & Rhoads
Operates 22 stores in Virginia and North Carolina.

Millers
Operates 13 stores primarily in Eastern Tennessee.

Cain Sloan
Operates 4 stores in the Nashville, Tennessee area.

Levy's
Operates 2 store in the Savannah, Georgia area.

Midwest

Donaldson's
Operates 9 stores primarily in Minnesota.

Block's
Operates 11 stores primarily in the Indianapolis, Indiana area.

Herp's
Operates 6 store in Western Michigan.

Heer's
Operates 2 stores in Springfield, Missouri area.

Southwest

Joske's
Operates 28 stores, primarily in Texas.

Muller's
Operates one store in Lake Charles, Louisiana.

Northwest

The Bon
Operates 37 stores in the Pacific Northwest.

Specialty Stores

Brooks Brothers
Operates 40 stores throughout the United States and 7 in Japan.

Bonwit Teller
Operates 15 stores throughout the United States.

Garfinckel's
Operates 10 stores in Washington, D.C. area.

Ann Taylor
Operates 59 stores throughout the United States

Catherines Stout Shoppes
Operates 148 Catherine's stores and 42 Plus Size stores throughout the United States.

Ann Taylor
Operates 59 stores throughout the United States.

Plymouth
Operates 48 stores in New York City and Washington, D.C.

Transfer Agent(s):

The Bank of New York
Stock Transfer Department
90 Washington Street
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: ALS

Number of Stores: (at fiscal year end)

1985	597	1982	512
1984	570	1981	536
1983	533		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1985	$3,970,469	$141,000
1984	3,675,873	128,000
1983	3,215,634	91,000
1982	2,732,697	88,000
1981	2,267,711	83,000

	No. of Com. Shares	Earn. per Share ○
1985	20,970,000	$6.71
1984	20,963,000	6.15
1983	20,821,000	4.41
1982	20,230,000	4.38
1981	20,142,000	4.18

Includes leased departments.
○ Based on the average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$2.00		
1984	1.85		
1983	1.80		
1982	1.75		
1981	1.70		

Common Stock Equity

	Total Equity	Equity Per Share
1985	$1,063,000,000	$50.71
1984	964,000,000	45.99
1983	868,000,000	41.68
1982	798,000,000	39.45
1981	743,000,000	36.89

Income Account *
(000's)

Year ended	2/2/85	1/28/84
Net sales	$ 3,970,469	$ 3,675,873
Other income	40,136	29,199
Total Income	$ 4,010,605	$ 3,705,072
Cost of goods sold	2,701,071	2,489,535
Expenses	953,156	887,527
Interest expense	91,145	85,874
Income before taxes	$ 265,233	$ 242,046
Income taxes	124,500	113,575
Net Income	$ 140,733	$ 128,471

* Included in Costs and Expenses: Depreciation and Amortization: $86,745,000 in 1984 and $81,273,000 in 1983.

Assets
(000's)

As of	2/2/85	1/28/84
Cash	$ 31,746	$ 31,067
Accts. receiv. net	1,021,077	940,502
*Inventories	606,770	541,259
Prepaid expenses	19,296	16,343
Current Assets	$ 1,658,883	$ 1,512,071
#Fixed assets	948,740	946,884
Other assets	68,019	71,420
Total Assets	$ 2,675,642	$ 2,530,375

Liabilities
(000's)

Notes payable	$ 65,000	$ 58,650
Long term debt, curr.	41,385	34,680
Accts. payable	303,647	282,769
Accruals	128,066	127,827
Income taxes	182,422	148,952
Other taxes	53,367	49,385
Curr. Liabilities	$ 774,787	$ 741,959
Long term debt	753,303	786,128
Deferred inc. taxes	84,132	68,908
+Common stock	20,930	20,963
Add. paid in capital	194,956	194,678
Retained earnings	847,404	748,639
Total Liabilities & Shareholders' Equity	$ 2,675,642	$ 2,530,375

* At lower of cost (primarily LIFO) or market, by the retail inventory method.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

% Income bef. Taxes to Sales	6.68	6.58
% Net Income to Sales	3.54	3.49
% Net Income to Equity	13.24	13.32
Sales to Inventories	6.54	6.79
Working Capital	$ 884,096,000	$770,112,000
Current Ratio	2.14	2.04
Shareholders' Equity	$1,063,130,000	$964,280,000

Allied Supermarkets, Inc.

8711 Meadowdale
Detroit, Michigan 48228
(313) 943-3000

Officers: Lon D. Makaroff, president & chief operating officer; David K. Page, chairman of the board & chief exec. officer; Elmer L. Blake, sr. v.p. wholesale operations; Igor M. Olic, v.p. & Gen. mgr. Humpty Ideal Supermarkets Division; Donald R. Gapp, v.p. & controller; John W. Masek, v.p. industrial relations; Joseph Mocnik, v.p. & gen. mgr. Great Scott Super Markets and Family Drug Divisions; Dennis M. Szczlaszek, v.p. & gen. mgr. Abner A. Wolf Company; Stephen T. Zola, v.p. real estate; Lloyd Silverman, treasurer; Larry D. Hunter, corporate secretary.

Directors: David K. Page, chairman; D. J. Rivmann; Martin I. Citrin; Sidney Lapidus; Barbara B. Murray; David K. Page; Earl W. Smith.

Business Activities: Allied operates 19 Great Scott! Super Markets in Michigan, 44 supermarkets in Oklahoma, Kansas and Texas under the names Humpty Supermarkets and Ideal Supermarkets, and one Kmart Food Store in South Dakota. It also operates a wholesale division, the Abner Wolf Company, which serves independent grocery stores in Michigan and Ohio.

and operates eight Cash & Carry Wholesale outlets. In addition, Allied operates six Family Drug Stores in Michigan, 26 in-store drug units in Oklahoma and Texas and one free-standing drug store in Oklahoma.

Transfer Agent(s):

National Bank of Detroit
611 Woodward Avenue
Detroit, Michigan 48226

Stock Exchange(s): Philadelphia

Ticker Symbol: ASU

Number of Stores*: (at fiscal year end)

1984	98	1981	110
1983	100	1980	119
1982	103		

* Includes drug units, most of which are located in Allied supermarkets.

Sales and Earnings

	Net Sales	Net Income
1984	$ 529,793,000	$ (2,566,000)
1983	575,749,000	14,814,000
1982	603,358,000	(42,752,000)
1981	609,584,000	7,498,000
1980	554,853,000	19,795,000

	No. of Com. Shares #	Earn. per Share #
1984	11,031,580	$ (.23)
1983	11,091,640	1.34
1982	9,322,628	(4.59)
1981	5,218,497	1.44
1980	5,218,497	3.79

( ) Loss

* 53 weeks

† Including extraordinary gains of $11,729,000 ($1.05 per share) in 1983, $38,105,000 ($4.09 per share) in 1982, $1,288,000 ($0.24 per share) in 1981 and $19,210,000 ($3.68 per share) in 1980.

Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 52,026,000	$ 4.72
1983	56,083,000	5.06
1982	41,538,000	4.46
1981	(2,874,000)	
1980	(8,072,000)	

Income Account *
(000's)

Year ended	6/30/84	6/25/83
Net sales	$ 529,793	$ 575,749
Other income	5,837	6,294
Total Income	$ 535,630	$ 582,043
Cost of sales	439,880	465,684
Expenses	98,316	110,697
Income (loss) bef. taxes	$ (2,566)	$ 5,662
Income taxes		2,577
Net Income (Loss)	$ (2,566)	$ 3,085
Extraord. gain		11,729
Net Income (Loss) & extraord. gain	$ (2,566)	$ 14,814

* Included in Costs and Expenses, Depreciation and Amortization: $3,788,000 in 1984 and $3,590,000 in 1983.

Assets
(000's)

As of	6/30/84	6/25/83
Cash	$ 5,951	$ 10,296
Marketable securities	13,157	15,582
Accts. & notes receiv., net	9,052	7,596
Receivables		6,852
*Inventories	44,167	42,907
Prepaid expenses	1,771	1,336
Current Assets	$ 74,098	$ 84,569
#Fixed assets	22,581	20,714
Cap. leases	9,358	5,839
Other assets	2,077	1,074
Total Assets	$ 108,114	$ 112,196

Liabilities
(000's)

Notes (mortg. & cap. lease oblig.) curr.	$ 1,628	$ 1,103
Accts. payable	25,237	28,477
Accruals	5,403	5,438
Accrued payroll	6,492	7,282
Unpaid Chap. XI costs		658
Curr. Liabilities	$ 38,761	$ 41,979
Notes & mortgages	1,695	2,272
Capitalized lease oblig.	9,990	6,865
Other liabilities	2,643	2,007
+Redeem. pref. stock	3,000	3,000
++Common stock	784	784
Add. paid in capital	24,365	24,718
Retained earnings	27,834	30,674
Treasury stock	(1,243)	
Total Liabilities & Shareholders' Equity	$ 108,114	$ 112,196

* At lower of cost (Retail or LIFO) or market

Less accumulated depreciation and amortization

+ $100 par value

++ $0.10 par value

Statistical Summary

% Income Bef. Taxes to Sales		0.98
% Net Income to Sales		0.54
% Net Income to Equity		5.50
Sales to Inventories	12.00	13.42
Working Capital	$35,338,000	$42,610,000
Current Ratio	1.91	2.02
Shareholders' Equity	$52,026,000	$56,083,000

American Can Company

American Lane
P.O. Box 3610
Greenwich, Connecticut 06836
(203) 552-2000

Officers: William S. Woodside, chairman of the board; Gerald Tsai Jr., vice chairman; Kenneth A. Yarnell Jr., sr. exec. v.p. and chief financial officer; Frank J. Connor, president & chief operating officer; Alfred G. Goldstein, exec. v.p. & sector exec.-Specialty Retailing; Sal J. Giudice, exec. v.p. & special asst. to chairman; Jerry S. Mathis, exec. v.p. & chief administrative officer; C. Richard Pedersen, sr. v.p., general counsel & secretary; John G. Polk, exec. v.p. and sector executive-packaging; Michael J. Roth, sr. v.p. corporate finance & tax; Robert M. Abramson, v.p. strategy planning; Robert J. Bell, gen. auditor; David J. Chemerow, v.p. & treasurer; Walter A. Scott, v.p. & controller; Robert B. Bogart, v.p. corporate human resources.

Directors: William S. Woodside, chairman; William F. May; Frank J. Connor; Edwin A. Bergman; Richard R. Hough; Harry S. Howard Jr.; William H. Moore; Martha Redfield Wallace; Joseph A. Califano Jr.; Gerald Tsai Jr.; Lawrence Lachman; Keith D. Bunnel; Charles E. Hugel; J. Bruce Llewellyn; Jerry S. Rosenbloom; Kenneth A. Yarnell Jr.

Business Activities: Operates in three principal business segments: packaging, specialty retailing, and financial services. Through its Sam Goody subsidiary, operates a chain of record and consumer audio stores located in the metropolitan New York area, New Jersey, Connecticut, Pennsylvania and North Carolina. Another subsidiary, Pickwick International, Inc., is a major distributor, rack merchandiser, producer and retailer of records and tapes through its Musicland Group. Also operates Vidiom stores which carry video software items. The Fingerhut Corporation is engaged in direct mail merchandising.

Retail Subsidiaries:

Pickwick International, Inc.
Minneapolis, Minnesota
Merchandising and retailing of records and tapes.

Sam Goody, Inc.
Maspeth, New York
Chain of record and consumer audio stores.

Fingerhut Corporation
Minnetonka, Minnesota
Engaged in the business of direct mail merchandising.

Transfer Agent(s):

The Bank of New York
90 Washington Street
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: AC

Number of Stores: (at fiscal year end)

1984	N.A.	1981	425
1983	N.A.	1980	438
1982	420		

N.A. Not available

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 3,177,900	$ 136,000
1983	3,346,400	100,100
1982	4,063,400	(132,900)
1981	4,836,400	26,100
1980	4,812,200	85,700

	No. of Com. Shares	Earn. per Share
1984	22,546,000	$ 4.90
1983	20,016,000	3.77
1982	18,700,000	
1981	19,353,000	1.77
1980	19,328,000	4.26

* Including extraordinary gains of $3,600,000 ($0.16 per share) in 1984 and $5,600,000 ($0.28 per share) in 1983.

† Based on the weighted average number of common shares outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Container & packaging	$ 1,881,900	$ 1,942,200
Specialty retailing	995,200	847,800
Other business	300,800	556,400
Total	$ 3,177,900	$ 3,346,400

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$2.90		
1983	2.90		
1982	2.90		
1981	2.90		
1980	2.90		

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1984	$ 1,047,100	$ 46.44
1983	910,200	45.47
1982	804,500	43.02
1981	1,041,700	53.83
1980	1,048,400	54.24

† Based on the weighted average number of common shares outstanding.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 3,177,900	$ 3,346,400
Cost of sales	2,437,100	2,721,000
Expenses	512,500	501,800
Eq. in earn. of fin. subsid.	(137,000)	(125,200)
Interest expense	64,800	59,200
Corp. exp.	69,700	59,900
Unusual items	7,000	4,500
Income before taxes	$ 163,800	$ 125,500
Income taxes	31,400	31,000
Net Income	$ 132,400	$ 94,500
Extraord. gain	3,600	5,600
Net Income & Extraord. Gain	$ 136,000	$ 100,100

* Included in Costs and Expenses: Depreciation $76,800,000 in 1984 and $83,900,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash & short-term investments	$ 54,200	$ 61,200
Accts. and notes receiv., net	375,200	533,800
*Inventories	257,200	327,900
Inc. tax benefits	113,100	91,100
Current Assets	$ 799,700	$ 1,014,000
Invest. in fin. subsid.	921,700	755,100
#Fixed assets	118,400	106,500
Invest. in James River Corp.	570,900	784,600
Other assets	216,000	166,500
Total Assets	$ 2,626,700	$ 2,826,700

Liabilities
(000's)

	1984	1983
Short-term & long-term debt, curr.	$ 16,900	$ 31,000
Accts. payable	188,600	302,900
Accrued and other liabilities	375,600	364,500
Reserve for business restructure		32,800
Curr. Liabilities	$ 581,100	$ 731,200
Long-term debt	527,300	700,400
Empl. benefits related to plant clos.	128,100	131,500
Reserve for business restructure	13,300	40,000
Deferred inc. taxes	104,600	98,700
Other liab.	24,300	13,300
+ Redeem. pref. stock	200,900	201,400
+ + Common stock	25,200	284,500
Add. paid-in capital	447,800	86,500
Unrealized depreciation	(15,200)	(3,800)
Cumulative translation adjustment	(47,600)	(41,200)
Earnings reinvested in business	677,400	633,400
Treasury stock	(40,500)	(49,200)
Total Liabilities & Shareholders' Equity	$ 2,626,700	$ 2,826,700

* At lower of cost (LIFO & FIFO) or market.
# Less accumulated depreciation.
+ No par value.
+ + $12.50 par value.

Statistical Summary

	1984	1983
% Income bef. Taxes to Sales	5.15	3.75
% Net Income to Sales	4.17	2.82
% Net Income to Equity	12.64	10.38
Sales to Inventories	12.36	10.21
Working Capital	$ 218,600,000	$282,800,000
Current Ratio	1.38	1.39
Shareholders' Equity	$1,047,100,000	$910,200,000

American Maize-Products Company

41 Harbor Plaza Drive
Stamford, Connecticut 06904
(203) 356-9000

Officers: William Ziegler, III, chairman of the board & chief executive officer; Les C. Liabo, president & chief operating officer; Alan J. Edly, v.p. finance; Edgar D. Gates, v.p. personnel & administration; Charles A. Koons, v.p. corporate development & planning; John R. Twedy, v.p.; Donald E. McNicol, secretary & general counsel; Robert A. Britton, treasurer; Edward P. Norris, controller; Cynthia C. Ziegler, asst. secretary.

Directors: William Ziegler, III*, chairman; Gene K. Beare; Charles B. Cook, Jr.*; Edward Gelsthorpe; Les C. Liabo*; Donald E. McNicol*; Smith; William C. Steinkraus; John C. Wrightson.

* Member of the Executive Committee

Business Activities: The Company's Building Materials Division sells building materials and home improvement items to the do-it-yourself customer and the contractor through 39 Lloyd Home & Building Centers located in New York, Connecticut and Pennsylvania. Also produces corn syrups and other corn products, cigars and candy.

Transfer Agent(s):

The Bank of New York
New York, New York

Stock Exchange(s): American

Ticker Symbol: AZE

Number of Stores: (at fiscal year end)

1984	39	1982	38
1983	39	1981	41

Sales and Earnings

	Net Sales +	Net Income †
1984	$ 414,288,000	$ 10,002,000
1983	357,832,000	3,790,000
1982	317,525,000	5,746,000
1981	342,626,000	12,208,000
1980	310,973,000	10,706,000

	No. of Com. Shares	Earn. per Share # †
1984	5,253,541	$ 1.92
1983	5,216,955	0.73
1982	5,201,342	1.11
1981	5,191,122	2.35
1980	5,185,539	2.07

+ Of continuing operations only.
† Including extraordinary loss of $412,000 ($0.08 per share) in 1982.
# Based on the average number of shares outstanding during the year.

Revenues By Line of Business

	1984	1983
Corn processing	$ 255,422,000	$ 204,891,000
Branded consumer prods.	68,692,000	72,058,000
Building materials	90,174,000	80,883,000
Total	$ 414,288,000	$ 357,832,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.52		
1983	0.52		
1982	0.52		
1981	0.52		
1980	0.46	10%	

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 120,894,000	$ 23.01
1983	112,915,000	21.64
1982	111,938,000	21.52
1981	108,811,000	20.96
1980	99,254,000	19.14

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 414,288	$ 357,832
Cost of sales	336,083	288,894
Expenses	62,638	57,189
Gain on stock sale	(6,275)	
Interest expense	7,900	7,762
Interest income	(2,670)	(1,525)
Other expense	1,729	422
Income before taxes	$ 14,883	$ 5,090
Income taxes	2,971	1,300
Minority interest	1,910	
Net Income	$ 10,002	$ 3,790

* Included in Costs and Expenses: Depreciation and Amortization: $11,249,000 in 1984 and $9,414,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 2,791	$ 207
Short term invest.	12,835	11,267
Accts. receiv., net	35,898	32,528
Tax refund receiv.	2,567	2,521
*Inventories	51,675	44,836
Other curr. assets	7,471	5,764
Assets of subsid.		1,626
Current Assets	$ 113,237	$ 98,749
#Fixed assets	174,315	119,593
Other assets	6,271	8,383
Intangibles	2,385	2,446
Marketable securities		2,491
Assets of subsid.		1,813
Total Assets	$ 296,208	$ 233,475

Liabilities
(000's)

	1984	1983
Long-term debt, curr.	$ 5,752	$ 5,158
Accts. payable	15,242	10,547
Accrued interest	1,748	1,701
Other accruals	7,552	6,250
Accrued payroll	6,235	5,175
Income taxes	3,719	3,916
Curr. Liabilities	$ 40,248	$ 32,747
Long-term debt	98,343	70,755
Deferred inc. taxes	19,208	15,562
Other liab.	1,505	1,496
Minority interest	16,010	
+ Common stock	4,378	4,362
Add. paid-in capital	17,167	16,884
Retained earnings	101,251	93,975
Treasury stock	(1,902)	(2,042)
Loss on market. secur.		(264)
Total Liabilities & Shareholders' Equity	$ 296,208	$ 233,475

* At lower of cost (FIFO) or market, corn & tobacco at LIFO.
# Less accumulated depreciation.
+ $0.80 par value.

Statistical Summary

	1984	1983
% Net Income bef. Taxes to Sales	3.59	1.42
% Net Income to Sales	2.41	1.06
% Net Income to Equity	8.27	3.36
Sales to Inventories	8.02	7.98
Working Capital	$ 72,989,000	$ 66,002,000
Current Ratio	2.81	3.02
Shareholders' Equity	$120,894,000	$112,915,000

American Stores Company

P.O. Box 27447
709 East South Temple
Salt Lake City, Utah 84127
(801) 539-0112

Officers: L. S. Skaggs, chairman of the board; Thomas W. Field, Jr., president; Richard G. Dunlop, vice chairman & treasurer; Thomas H. Sunday, exec. v.p., general counsel & secretary; Scott Bergeson, exec. v.p. & asst. secretary; Robert L. Salmon, v.p.; Victor L. Lund, sr. v.p. & controller; Michael T. Miller, sr. v.p. & asst. secretary; Gerald T. Glancey, v.p. & asst. treasurer; Frederick P. McBrier, asst. secretary; Hugh M. Zumbro, v.p.; Dennis N. Beal, asst. controller; Lynn Huizenga, asst. v.p.

Directors: William R. Deeley, Thomas W. Field, Jr.*, Thomas W. King, Williford Grace, Leon G. Harmon, L. Tom Perry, L. S. Skaggs*, Aline W. Skaggs, Richard G. Dunlop, Earl P. Staten, Thomas H. Sunday*, J. J. Wagner

* Member of the Executive Committee

Business Activities: Operates self-service supermarkets under the names of Acme and Super Saver in New York, Pennsylvania, New Jersey, Delaware, Maryland, Virginia, and West Virginia. Subsidiaries also manufacture and process food for sale in these supermarkets and Alpha Beta Stores the Company operates in California, and Arizona. Also operates Rea and Derick Drug Stores in Pennsylvania, New York, and Maryland. Operates Skagg's Drug Centers, 190 drug stores and 70 combination drug grocery stores in 20 states in the Southwest, West, and Midwest.

Divisions and Subsidiaries:

Acme Markets Inc.
124 North 15th Street
Philadelphia, Pennsylvania 19101
(215) 568-3000

Alpha Beta Company
777 South Harbor Boulevard
La Habra, California 90631
(714) 738-2000

Rea and Derick, Inc.
Fifth and Orange Streets
Northumberland, Pennsylvania 17857
(717) 473-3511

Skaggs Companies, Inc.
P.O. Box 30658
Salt Lake City, Utah 84130
(801) 537-3000

American Stores Properties, Inc.
P.O. Box 27447
Salt Lake City, Utah 84127
(801) 539-0112

American Stores Buying Company
P.O. Box 30658
Salt Lake City, Utah 84130
(801) 537-3000

American Stores Managements Systems Company
P.O. Box 30658
Salt Lake City, Utah 84130
(801) 537-3000

Transfer Agent(s):

Morgan Guaranty Trust Company
Trust Department
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York, Philadelphia, Pacific

Ticker Symbol: ASC

Number of Stores: (at fiscal year end)

	Supermarkets	Drug Centers	Drug Stores	Restaurants	Comb. stores
1983	629	190	138	0	70
1982	684	193	141	44	60
1981	692	198	146	49	51
1980	681	197	135	46	3
1979	760				

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 7,983,677	$ 117,902
1983	7,507,772	90,371
1982	7,096,590	64,552
1981	6,419,884	51,553
1980*	3,786,332	44,434

	No. of Com. Shares #	Earn. per Share #
1984	29,556,000	$ 3.61
1983	29,415,000	2.69
1982	29,541,000	1.81
1981	29,412,000	1.37
1980*	26,532,000	1.45

* 53 weeks
# Based on the average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1984	$0.44		3-for-1
1983	0.33		
1982	0.27		
1981	0.27		
1980	0.27		

Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 451,694,000	$ 15.28
1983	357,455,000	12.15
1982	289,593,000	9.80
1981	243,868,000	8.29
1980	210,746,000	7.94

+ Based on the average number of shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended	1/28/84	1/29/83
Net sales	$ 7,983,677	$ 7,507,772
Cost of sales	6,051,677	5,718,520
Expenses	1,697,484	1,603,689
Interest expense	35,615	36,649
Other income	(17,228)	(17,945)
Income before taxes	$ 216,129	$ 166,859
Income taxes	98,227	76,488
Net Income	$ 117,902	$ 90,371

* Included in Costs and Expenses, Depreciation and Amortization, $87,321,000 in 1983 and $83,070,000 in 1982.

Assets
(000's)

As of	1/28/84	1/29/83
Cash & temp. cash invest.	$ 134,697	$ 83,222
Receiv., net	49,542	44,076
*Inventories	683,566	612,528
Prepaid expenses	34,628	27,567
Current Assets	$ 902,433	$ 767,393
#Fixed assets	563,274	509,961
Prop. under cap. lease	128,269	137,661
Other assets	32,719	29,352
Total Assets	$ 1,626,695	$ 1,444,367

Liabilities
(000's)

Long-term debt, curr.	$ 1,535	$ 1,041
Cap. lease oblig., curr.	10,292	9,251
Accounts payable	341,344	305,871
Accruals	142,944	115,586
Accrued wages pay.	88,729	83,899
Income taxes	31,850	31,738
Curr. Liabilities	$ 616,694	$ 547,386
Long-term debt	210,436	188,325
Cap. lease oblig.	156,420	163,708
Other liabilities	52,427	45,179
Deferred inc. taxes	20,914	24,204
+ Redeem. pref. stock	118,110	118,110
+ Common stock	30,014	10,005
Add. paid-in capital	79,626	100,454
Retained earnings	351,260	257,690
Treasury stock	(9,206)	(10,694)
Total Liabilities & Shareholders' Equity	$ 1,626,695	$ 1,444,367

* At lower of cost (LIFO and FIFO) or market
# Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

% Income before Taxes to Sales	2.71	2.22
% Net Income to Sales	1.48	1.21
% Net Income to Equity	26.10	25.28
Sales to Inventories	11.68	12.26
Working Capital	$285,739,000	$220,007,000
Current Ratio	1.46	1.40
Shareholders' Equity	$451,694,000	$357,455,000

Ames Department Stores, Inc.

2418 Main Street
Rocky Hill, Connecticut 06067
(203) 563-8234

Officers: Herbert Gilman, chairman of the board & chief exec. officer; Gerald L. Kanter, president & chief operating officer; Kenneth H. Cooper, sr. v.p.-store operations; Ralph M. Shulansky, sr. v.p.-administration, finance & chief financial officer; Earl M. Spector, sr. v.p.-real estate, legal & secretary; Romas Butrimas, v.p.-finance; Fred S. Perlstein, v.p.-advertising & sales promotion; Lawrence H. Gofberg, v.p.-gen. merchandise mgr.; Gerald Glassman, v.p.-admin. & planning, asst. treasurer and asst. secretary; Royal L. Clark, v.p.-store operations; Stuart J. Shapiro, v.p.-corp. development; Eugene G. Senecal, v.p.-mgt. information systems; John R. Barbato, v.p.-real estate; Robert C. Brusa, v.p.-construction; Joseph Matters, asst. v.p.-computer operations; Henry Sobinski, v.p.-loss prevention; Stephen H. Silver, v.p.-merchandise mgr.-softlines; Robert A. Tremblay, v.p.-merchandise control; Mark von Mayrhauser, v.p. & treasurer; Alan S. Close, v.p.-merchandise mgr.-hardlines; John P. Kearney, v.p.-personnel; John J. Miller, v.p.-import; Kerrie R. Flanagan, asst. v.p. & asst. controller

Directors: Herbert Gilman*, chairman; Michael D. Leavitt, James A. Harmon*, Melvin M. Rosenblatt*, Ralph M. Shulansky, John Geisse, Norman B. Asher, Kenneth H. Cooper, Gerald L. Kanter*, Earl M. Spector, Norman Ricken

* Member of the Executive Committee

Business Activities: Operates a chain of self-service discount department stores in Massachusetts, Vermont, New Hampshire, Maine, New York, Maryland, New Jersey, Delaware and Pennsylvania.

Divisions and Subsidiaries:

Mathews and Boucher, Inc.
Rochester, New York
Wholesaler of sporting goods

Transfer Agent(s):

The Connecticut Bank and Trust Company
Hartford, Connecticut

Stock Exchange(s): New York

Ticker Symbol: ADD

Number of Stores: (at fiscal year end)

1985	180	1982	133
1984	168	1981	126
1983	144		

Sales and Earnings

	Net Sales	Net Income
1985	$ 783,360,000	$ 28,516,000
1984	617,256,000	19,886,000
1983	401,742,000	12,393,000
1982	352,662,000	9,928,000
1981*	307,447,000	8,656,000

	No. of Com. Shares ‡	Earn. per Share ‡
1985	13,583,000	$ 2.00
1984	12,976,000	1.53
1983	12,372,000	1.00
1982	10,504,000	0.95
1981*	11,068,000	0.77

* 53 weeks

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.20	—	2-for-1
1984	0.15	—	3-for-2
1983	0.13	—	—
1982	0.13	—	3-for-2
1981	0.11	—	—

+ Adjusted to reflect stock splits

Common Stock Equity

	Total Equity	Equity Per Share +
1985	$ 124,631,000	$ 9.50
1984	98,829,000	7.60
1983	79,382,000	6.15
1982	52,177,000	5.01
1981	43,656,000	4.19

+ Adjusted to reflect stock splits

Income Account
(000's)

Year ended	1/26/85	1/28/84
Net sales	$ 783,360	$ 617,256
Other Income	13,895	11,477
Total income	$ 797,255	$ 628,733
Cost of sales	550,625	429,658
Expenses	175,836	153,224
Depreciation & amortization	11,995	7,135
Interest expense	8,758	5,000
Income before taxes	$ 50,041	$ 33,716
Income taxes	21,525	13,830
Net Income	$ 28,516	$ 19,886

Assets
(000's)

As of	1/26/85	1/28/84
Cash	$ 2,237	$ 3,532
Restricted Cash	4,578	
Cert. of deposit & oblig.	41,700	13,019
Receiv., net	8,864	6,432
*Inventories	138,969	113,007
Prepaid expenses	5,224	3,110
Current Assets	$ 201,572	$ 139,100
#Fixed assets	106,514	68,277
Other assets & defer. charges	6,175	4,609
Deferred tax benefits		678
Leasehold	6,469	
Other assets	1,661	
Total Assets	$ 322,391	$ 212,664

Liabilities

Long-term debt, curr.	$ 7,906	$ 3,989
Accts. payable	35,433	29,910
Accruals	19,027	12,021
Income taxes	2,861	3,667
Dividends payable	968	520
Current Liabilities	$ 66,195	$ 50,107
Deferred income taxes	4,098	
Long-term debt	54,811	15,365
Cap. lease oblig.	36,950	28,145
Deferred compensation	1,282	1,650
Exc. of acq. assets over value	7,433	9,415
Oblig. under mgmt. agreement		9,153
Redeem. preferred stock	26,991	
+ Common stock	6,975	3,461
Add. paid-in capital	22,956	24,610
Retained earnings	98,282	74,312
Treasury stock	(3,582)	(3,554)
Total Liabilities & Shareholders' Equity	$ 322,391	$ 212,664

* At lower of cost (LIFO) or market

\# Less accumulated depreciation

+ $0.50 par value

Statistical Summary

% Income bef. Taxes to Sales	6.39	5.46
% Net Income to Sales	3.64	3.22
% Net Income to Equity	22.88	20.12
Sales to Inventories	5.64	5.46
Working Capital	$135,377,000	$88,993,000
Current Ratio	3.05	2.78
Shareholders' Equity	$124,631,000	$98,829,000

Amfac, Inc.

700 Bishop Street
Honolulu, Hawaii 96813
(808) 945-8111

Mailing address

P.O. Box 3230
Honolulu, Hawaii 96801

Officers: H. A. Walker, Jr., chairman of the board; Myron Du Bain, president and chief exec. officer; Ronald C. Barr, T. R. d'Arcambal, Ronald H. Dykehouse, John E. Gomena, Donald C. Onasch, exec. v.p.'s; Ronald R. Sloan, exec. v.p. & chief administrative officer; Richard M. Brooks, sr. v.p. & chief finance officer; Daniel A. Curry, sr. v.p. & general counsel; R. Z. Rostron, sr. v.p., controller & chief accounting officer; Harry Matte, sr. v.p.; Thomas L. Braje, v.p. & treasurer; Charleen K. Ikeda, v.p. & secretary; G. Eric Lonnquist, Clyde E. Sumida, v.p.'s, assoc. general counsels & asst. secretaries; Helen P. Goldsmith, D.W. Leibensberger, v.p.'s & asst. treasurers; Christine C. McColgan, v.p. & asst. controller; Mervin F. Gilliland, Keith V. Mabee, Frederick J. Murata, Lawrence P. Perry, Ralph F. Perry, Jr., Toby B. Pontius, Alan O. Schultz, John R. Stamps, v.p.'s; W. A. Kruse, asst. v.p. & asst. treasurer; Beatrice K. Tanaka, Barbara Wilson, asst. v.p.'s & asst. secretaries; R. Brian Tsujimura, asst. v.p., asst. general counsel & asst. secretary; Richard Baum, David V. Enersen, Karen H. Iwamoto, Robert H. Ozaki, Raymond K. Pope, asst. v.p.'s; D. A. Daugherty, Chester A. Richardson, asst. secretaries & counsels; Eileen M. Halliburton, Susan S. Jourard, Althea R. Sato, Bess Torigoe, asst. secretaries.

Directors: Kenneth F. Brown, Myron Du Bain, Richard L. Griffith, Lyle L. Guslander, Daggett Harvey, Jr., Richard B. Madden, Mary Anne Normandin, Marion K. Pinsdorf, William F. Quinn, Patricia Saiki, Chauncey E. Schmidt, H. A. Walker, Jr.

Business Activities: Retail operations include the Liberty House department stores and resort shops. Liberty House department stores in Hawaii, California, and Reno, Nevada, feature merchandise in the medium to higher price ranges. Liberty House resort shops emphasize Polynesian and resort apparel. Some stores have limited men's, subteens' and children's wear departments. The Cameo Village Fashion Outlets is a retail specialty chain with operations in Maryland, Pennsylvania and New Jersey. The company also operates resorts, hotels, restaurants, travel and tour agencies, property development companies, sugar companies, wholesale nurseries, food processing companies, and distributes pharmaceutical and health care products, electrical and mechanical supplies, building materials, machinery and equipment.

Divisions and Subsidiaries:

Retail Group

Liberty House
Honolulu, Hawaii
Department, resort and specialty stores in Hawaii and California

Amfac Cameo Stores, Inc.
Philadelphia, Pennsylvania
Operates a chain of "off price" clothing stores under the name Cameo Village Fashion Outlets in Maryland, Pennsylvania and New Jersey

Horticulture Group

Amfac Garden Products, Inc.
Amfac Nurseries Cole, Inc.
Henry Field Seed and Nursery Company
Gurney Seed & Nursery Company, Inc.
Amfac Garden Perry's, Inc.
Amfac Mail Order

Food Group

Amfac Foods, Inc.
Portland, Oregon

Amfac Seafoods, Inc.
Processor of frozen and canned Alaska crab and shrimp

Fisher Cheese Company, Inc.
Producer of natural, process and nondairy cheeses

Lamb Weston, Inc.
Processor of frozen potato and fruit products in Idaho, Oregon, and Washington
Monterey Mushrooms
Grower and processor of mushrooms

Hotels and Resorts Group

Amfac Hotels
Hotel, restaurant and resort operations

Fred Harvey
Food, lodging and retailing in Grand Canyon and Death Valley National Parks

Island Holidays Tours
Travel and tour operations in Hawaii

Distribution Group

Amfac Distribution Corporation
Burlingame, California

Amfac Drug Supply Co.
Pharmaceutical distribution branches

Amfac Electric Supply Co.
Electrical supplies distribution branches

Amfac Mechanical Supply Co.
Hardware and industrial supplies branches

Amfac Marine Supply, Inc.
Marine supplies distribution in Hawaii and Guam

Amfac Plumbing Supply Co.
Plumbing supplies

Hawaii Sugar and Land Group

Amfac Agribusiness, Inc.
Honolulu, Hawaii

Amfac Properties
Honolulu, Hawaii

Amfac Property Corp.
Property investment

Amfac Property Development Corp.
Real estate development

Amfac Sugar Company
Honolulu, Hawaii

Amfac Tropical Products
Keaou, Hawaii

Kekaha Sugar Company, Ltd.
Grower and processor of sugar cane

The Lihue Plantation Company, Ltd.
Grower and processor of sugar cane

Oahu Sugar Company, Ltd.
Grower and processor of sugar cane

Pioneer Mill Company, Ltd.
Grower and processor of sugar cane

Puna Sugar Company, Ltd.
Grower and processor of sugar cane

Acquisition(s):

W. F. Westerfield Co., Inc.
Key Pipe & Supply Co.
Tyler Dawson Supply
T. D. Oilfield Supply, Inc.
Holmes Serum Co., Inc.

Transfer Agent(s):

Bank of California N.A.
400 California Street
San Francisco, California 94104

Bishop Trust Co., Ltd.
140 South King Street
Honolulu, Hawaii 96813

Marine Midland Bank
250 Park Avenue
New York, New York 10017

Stock Exchange(s): New York, Pacific, London

Ticker Symbol: AMA

Number of Stores: (at fiscal year end)

1983	84	1980	54
1982	82	1979	45
1981	61		

Sales and Earnings

	Revenues + (000's)	Net Income (000's)
1983	$ 2,253,102	$ (68,026)
1982	2,073,687	34,208
1981	2,012,924	44,208
1980	1,784,437	76,101
1979	1,597,352	56,370

	No. of Com. Shares	Earn. per Share #‡
1983	16,619,474	$
1982	14,954,082	2.27
1981	14,084,332	3.04
1980	13,673,611	5.37
1979	12,844,026	4.21

(Loss)
+ Of continuing operations only
‡ Including extraordinary gain of $4,279,000 ($0.29 per share) in 1983
# Based on the average number of common shares and common share equivalents outstanding

Revenue By Line of Business

	1983 (000's)	%	1982 (000's)	%
Food	$ 427,987	19%	$ 340,216	16%
Distribution	1,160,391	51	1,048,333	51
Hospitality	165,624	7	208,579	10
Retail	329,587	15	331,586	16
Sugar	132,486	6	105,881	5
Land	40,815	2	38,358	2
Eq. in joint ventures	(6,106)		(3,164)	
Corporate	2,318		3,898	
Total	$2,253,102	100%	$2,073,687	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$1.44		
1982	1.44		
1981	1.44		
1980	1.32		
1979	1.20		

Common Stock Equity

	Total Equity ‡	Equity Per Share
1983	$ 427,790,000	$ 27.05
1982	471,839,000	33.28
1981	474,242,000	33.67
1980	446,462,000	32.65
1979	377,959,000	29.43

‡ After allowing for preferred stock at involuntary liquidation values

Income Account
(000's)

Year ended Dec. 31	1983	1982
Revenues	$ 2,253,102	$ 2,073,687
Cost of sales	1,648,673	1,436,292
Expenses	579,858	474,437
Depreciation & amortization	46,674	45,008
Interest expenses	58,306	57,545
Income (loss) bef. taxes	$ (80,409)	$ 59,905
Income taxes (credit)	(41,100)	23,619
Income (loss) cont. oper.	$ (39,309)	$ 36,286
Loss, discont. oper.	(32,996)	(2,078)
Net Income (Loss)	$ (72,305)	$ 34,208
Extraord. gain	4,279	
Net Income (Loss) & extraord. gain	$ (68,026)	$ 34,208

Assets
(000's)

As of Dec. 31	1983	1982
Cash	$ 15,953	$ 13,330
Receiv., net	337,339	375,621
*Inventories	407,370	404,217
Prepaid expenses	18,358	19,101
Current Assets	$ 779,020	$ 812,269
Investments	72,906	61,549
#Fixed assets	512,048	500,427
Long-term notes receiv.	56,018	30,325
Other assets	19,428	17,299
Total Assets	$ 1,439,510	$ 1,421,869

Liabilities
(000's)

Note payable	$ 117,441	$ 36,578
Long-term debt, curr.	12,773	44,694
Accts. payable & accruals	284,312	253,115
Income taxes	26,546	93,080
Curr. Liabilities	$ 441,072	$ 427,467
Long-term debt	424,892	384,097
Deferred credits	60,205	46,188
Deferred inc. taxes	69,663	75,457
+ Preferred stock		
$2.50	402	425
Series B $1	9,097	10,243
+ + Common Stock	150,133	107,846
Retained earnings	308,431	394,531
Eq. in Amfac stock held by nonconsol. partnership	(24,385)	(24,385)
Total Liabilities & Shareholders' Equity	$ 1,439,510	$ 1,421,869

* At lower of cost or market. Food groups at LIFO; retail stores by the retail method; others at FIFO
# Less accumulated depreciation and amortization
+ No par value; cumulative convertible
+ + No par value

Statistical Summary

% Net Income to Equity		7.00
Working Capital	$337,948,000	$384,802,000
Current Ratio	1.77	1.90
Shareholders' Equity	$443,678,000	$488,660,000

Angelica Corporation

10176 Corporate Square Drive
Suite 100
St. Louis, Missouri 63132
(314) 991-4150

Officers: Leslie F. Loewe, chairman of the board & chief exec. officer; John D. Levy, vice chairman of the board; Earl F. Neely, president & chief operating officer; Allyn J. Aach, Stephen L. Abelov, Donald C. Wickard, v.p.'s; James E. Stefoff, exec. v.p., pres. of the Angelica Rental Service Group; Kenneth W. Jeremiah, v.p.-industrial relations; Lawrence J. Young, exec. v.p., chief operating officer-Angelica Uniform Group; Robert M. Baker, treasurer; Nancy L. Rider, secretary, house counsel; Linden Mann, controller, asst. secretary; Charles D. Malloy, controller

Directors: Leslie F. Loewe, chairman; Willard L. Levy, Edwin S. Jones, John D. Levy, Lee M. Liberman, Leslie F. Loewe, Richard A. Meyer, Earl F. Neely, Elliot H. Stein, H. Edwin Trusheim, Robert C. West, William P. Stiritz

Divisions and Subsidiaries:

Manufacturing and Marketing

Angelica Uniform Group Division
700 Rosedale Avenue
St. Louis, Missouri 63112
(314) 889-1111

Designs, manufactures, warehouses and markets a line of washable and tailored non-washable vocational attire

Angelica Whitewear Ltd.
5650 Iberville St.
Montreal, Quebec, H2G 3E4 Canada
(514) 271-4671

Designs, manufactures, warehouses and markets vocational apparel

Service Uniform Co. Limited
533 College Street
Toronto, Ontario M6G 1A8
Canada
(416) 923-7391

Designs, manufactures and markets vocational apparel

Retail Sales

Life Uniform & Shoe Shops
700 Rosedale Avenue
St. Louis, Missouri 63112
(314) 889-1111

Operates a nationwide chain of specialty stores selling a full line of uniforms, shoes and related accessories to individuals & retail

Rental Services

Angelica Healthcare Services Group, Inc.
10176 Corporate Square Drive
Suite 150
St. Louis, Missouri 63131
(314) 991-2931

Angelica Healthcare Services Group, Inc.
Western Divisional Office
600 North Euclid Avenue
Anaheim, California 92801
(714) 535-2242

Provides delivery and cleaning on a rental basis of surgical specialty textiles, garments and hospital linens.

Angelica Healthcare Services Group, Inc.
Eastern Divisional Office
317 Linden Street
Scranton, Pennsylvania 18503
(717) 346-8761

Provides rental and laundry services of hospital linens and uniforms to hospitals; also provides linen usage cost control systems.

Transfer Agent(s):

Centerre Trust Company
St. Louis, Missouri

Stock Exchange(s): New York

Ticker Symbol: AGL

Number of Stores: (at fiscal year end)

1984	143	1981	134
1983	137	1980	140
1982	143		

Sales and Earnings

	Net Sales +	Net Income
1985	$ 246,404,000	$ 16,328,000
1984	220,318,000	15,154,000
1983	208,204,150	13,818,722
1982	201,402,308	12,012,189
1981	180,902,109	8,960,673

	No. of Com. Shares †	Earn. Per Share ‡
1985	9,268,413	$ 1.76
1984	9,260,730	1.63
1983	9,245,981	1.49
1982	9,245,981	1.30
1981	9,245,981	0.97

+ Includes rental service revenues
† Adjusted to reflect stock split
‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split

Revenues By Line of Business

	1985	1984
Manufacturing & marketing	$ 112,309,000	$ 101,882,000
Rental serv.	119,366,000	100,837,000
Retail sales	22,022,000	23,759,000
Intersegment	(7,293,000)	(6,160,000)
Total	$ 246,404,000	$ 220,318,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.52		—
1984	0.48		—
1983	0.40		3-for-2
1982	0.34	—	—
1981*	0.27		—

+ Adjusted to reflect stock split

Common Stock Equity

	Total Equity ‡	Equity Per Share
1985	$ 104,990,000	$ 11.33
1984	93,713,000	10.13
1983	82,909,351	8.97
1982	72,967,275	7.90
1981	64,109,115	6.94

‡ After allowing for preferred stock and Class A preferred stock at liquidation value of $100 per share

Income Account *

Year ended Jan. 31	1985	1984
Net sales	$ 127,038,000	$ 119,481,000
Service revenues	119,366,000	100,837,000
Total revenues	$ 246,404,000	$ 220,318,000
Cost of sales	83,161,000	78,232,000
Cost of services	89,465,000	73,156,000
Expenses	44,029,000	41,314,000
Other income	(1,059,000)	(1,025,000)
Income before taxes	$ 30,808,000	$ 28,641,000
Income taxes	14,480,000	13,487,000
Net Income	$ 16,328,000	$ 15,154,000

* Included in Costs and Expenses: Depreciation: $5,386,000 in 1985 and $4,272,000 in 1984.

Assets

As of Jan. 31	1985	1984
Cash	$ 11,980,000	$ 17,505,000
Receivables	37,501,000	31,117,000
*Inventories	44,805,000	40,813,000
Prepaid expenses	1,679,000	1,119,000
Linens in service	16,594,000	16,866,000
Current Assets	$ 112,559,000	$ 107,420,000
#Fixed assets	40,659,000	39,640,000
Other assets	8,751,000	5,382,000
Total Assets	$ 161,969,000	$ 152,442,000

Liabilities

	1985	1984
Long-term debt & cap. lease oblig., curr.	$ 3,203,000	$ 3,273,000
Accts. payable	8,771,000	8,591,000
Accured payroll	4,356,000	4,326,000
Accruals	2,238,000	2,953,000
Income taxes	1,764,000	1,373,000
Deferred inc. taxes	4,133,000	3,026,000
Curr. Liabilities	$ 24,465,000	$ 23,542,000
Long-term debt & cap. lease oblig.	24,963,000	27,770,000
Deferred compensation	1,579,000	2,099,000
Deferred inc. taxes	5,618,000	4,964,000
+ Preferred stock	286,000	286,000
+ + Class A Preferred stock	1,000	1,000
+ + + Common stock	9,268,000	9,261,000
Add. paid-in capital	165,000	57,000
Retained earnings	95,624,000	84,462,000
Total Liabilities & Shareholders' Equity	$ 161,969,000	$ 152,442,000

* At lower of cost (FIFO) or market
# Less accumulated depreciation
+ $100 par value, 5% cumulative
+ + $1 stated value, convertible
+ + + $1 par value

Statistical Summary

	1985	1984
% Income bef. Taxes to Revenues	12.50	13.00
% Net Income to Revenues	6.63	6.88
% Net Income to Equity	15.50	16.11
Working Capital	$ 88,094,000	$83,878,000
Current Ratio	4.60	4.56
Shareholders' Equity	$105,344,000	$94,067,000

Arden Group, Inc.

2020 South Central Avenue
Compton, California 90220
(213) 638-2842

Officers: Curtis H. Palmer, chairman of the board; Bernard Briskin, president & chief executive officer; Milton H. Barker, v.p.; Anne Pearson, asst. secretary; E.T. Klinger, v.p. finance, chief financial officer & treas.; C.R. Barrett, Jr., asst. secretary & asst. treasurer.

Directors: Bernard Briskin*, Chester L. Lappen*, Philip L. Carret, Thomas L. Karsten*, Frederick A. Schnell*, Anson I. Dreisen, Curtis H. Palmer*, Stuart A. Krieger, Daniel Lembark, Ben Winters

*Member of the Executive Committee

Business Activities: Principally a food processing and distribution company which operates a chain of supermarkets in the western United States.

Divisions and Subsidiaries:

Mayfair Market Division

Operates markets in California, Arizona, and Nevada under the following names: Mayfair, El Rancho, Food Giant.

Gelson's Markets

A chain consisting of 7 supermarkets located in California.

Telautograph Corporation

Primarily engaged in the manufacture, lease and sale of communication equipment and supplies which are used for the instantaneous transmission of messages to remote locations. Its GPS Division manufactures chemicals and equipment for the maintenance of swimming pools.

Transfer Agent(s):

City National Bank
Beverly Hills, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ARDN (NASDAQ)

Number of Stores: (at fiscal year end)

1984	46	1981	91
1983	58	1980	104
1982	75		

Sales and Earnings

	Net Sales	Net Income +
1984	$ 435,005,000	$ 5,239,000
1983	464,282,000	1,767,000
1982	494,051,000	2,890,000
1981	517,029,000	4,244,000
1980*	509,628,000	4,319,000

	No. of Com. Shares	Earn. per Share + #
1984	2,342,470	$ 2.06
1983	2,560,232	0.52
1982	2,959,182	0.82
1981	3,214,427	1.10
1980*	3,681,023	1.11

* 53 weeks
+ Including extraordinary gains of $331,378 ($0.14 per share) in 1984), $63,700 ($0.02 per share) in 1982, $1,044,000 ($0.29 per share) in 1981 and $410,000 ($0.11 per share) in 1980.
# Based on the average number of shares outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$2.25		
1983	2.25	—	
1982	2.25	—	
1981	2.25	—	—
1980	2.25	—	—

Common Stock Equity

	Total Equity +	Equity Per Share
1984	$ 29,923,401	$ 12.77
1983	27,234,624	10.64
1982	28,970,725	9.79
1981	28,153,460	8.76
1980	26,854,460	7.30

+ After allowing for preferred stock at liquidation value

Arden Group, Inc.

Income Account *

Year ended	12/29/84	12/31/83
Net sales	$ 435,004,847	$ 464,281,511
Cost of sales	282,670,636	314,907,469
Expenses	144,482,793	140,451,799
Other expense (income)	(2,573,093)	1,195,119
Interest expense	4,621,896	5,140,270
Income bef. taxes	$ 5,802,615	$ 2,586,854
Income taxes	895,000	512,000
Net Income	$ 4,907,615	$ 2,074,854
Extraordinary items	331,378	(308,585)
Net Income & extraord. items	$ 5,238,993	$ 1,766,269

* Included in Costs and Expenses: Depreciation: $17,103,939 in 1984 and $14,570,641 in 1983.

Assets

As of	12/29/84	12/31/83
Cash	$ 4,865,774	$ 3,343,371
Accts. & notes receiv., net	16,179,816	13,846,283
*Inventories	29,106,545	30,635,746
Prepaid expenses	1,392,519	1,132,344
Current Assets	$ 51,544,654	$ 48,957,744
Investments	2,691,741	3,216,302
Notes & contracts receiv.	4,235,208	2,694,152
Prop. for sale	2,630,012	4,292,741
#Fixed assets	52,616,831	59,248,736
Other assets	4,107,513	4,200,708
Total Assets	$ 117,825,959	$ 122,610,383

Liabilities

Accts. payable & accruals	$ 38,132,079	$ 40,308,817
Long term debt	3,336,917	4,253,800
Curr. Liabilities	$ 41,468,996	$ 44,562,617
Long term debt	29,548,288	35,262,784
Deferred income	4,721,287	3,511,126
Deferred taxes	2,242,950	1,656,464
Other liabilities	2,739,497	2,201,228
+ Preferred stock	2,433,225	2,433,225
+ + Common stock	1,086,758	1,086,758
Add. paid in capital	35,951,789	35,951,789
Retained earnings	14,095,992	9,163,807
Treasury stock	(15,462,823)	(13,219,415)
Total Liabilities & Shareholders' Equity	$ 117,825,959	$ 122,610,383

* At lower of cost (FIFO, average or retail method) or market.
# Less accumulated depreciation and amortization.
+ $15 par value, $2.25 cumulative.
+ + $0.25 par value.

Statistical Summary

% Income bef. Taxes to Sales	1.33	0.56
% Net Income to Sales	1.13	0.45
% Net Income to Equity	12.88	5.86
Sales to Inventories	14.95	15.15
Working Capital	$10,075,658	$ 4,395,127
Current Ratio	1.24	1.10
Shareholders' Equity	$38,104,941	$35,416,164

Argcen Holdings Inc.

10 Toronto Street
Toronto, Canada M5C 2B7

Officers: Conrad M. Black, chairman of the board; G. Montegu Black, president and chief executive officer; Dixon S. Chant, John R. Finlay, Q.C., vice presidents; Wendell F. White, C.A., treasurer; Charles G. Cowan, Q.C., secretary.

Directors: Lewis H.M. Ayre, Ralph M. Barford, Conrad M. Black, G. Montegu Black, Dixon S. Chant, Glen W. Davis, John R. Finlay, Q.C., Hon. Clarence L. Gosse, Hon. W. John McKeag, Andre Monast, Q.C., Beryl A. Plumptre, F. David Radler, Ronald T. Riley, Trumbull Warren.

Business Activities: Argcen Holdings Inc. is a holding company with significant interests, through subsidiary and associated companies, in natural resources, communications, wholesaling and retailing. The natural resources group is engaged in the exploration for and production of oil and natural gas in Canada, the United States and Australia, and participates in major iron ore operations in Labrador. The communications group carries on the business of radio and television and related services. The wholesaling and retailing group is primarily involved in the manufacturing, distribution and retailing of food for home consumption.

Divisions and Subsidiaries:

Standard Broadcastng Corporation Limited

Norcen Energy Resources Limited
  Products: gas and oil

Dominion Stores Limited

  Dominion Supermarkets
  Willett's Mr. Grocer
  General Bakeries
  Eplett Dairies
  Hiway Market
  Amalco

Transfer Agent(s):

Central Trust Company
  Toronto
  Montreal
  Vancouver

Canada Permanent Trust Company
  Halifax
  Saint John

Stock Exchange(s): Toronto, Montreal, Vancouver

Ticker Symbol: AGN

Number of Stores: (at fiscal year end)

1984	66

Sales and Earnings

	Revenues	Net Income †
12/31/84*	$1,576,800,000	$ (6,200,000)
3/17/84	2,227,400,000	31,600,000
3/17/83	2,409,200,000	27,400,000
3/17/82	2,594,300,000	45,600,000
3/17/81	2,774,000,000	28,000,000

	No. of Com. Shares	Earn. per Share †
12/31/84*	15,676,000	$ —
3/17/84	15,677,000	2.02
3/17/83	15,632,000	1.75
3/17/82	15,629,000	4.74
3/17/81	8,795,000	3.26

* 41 weeks
† Including extraordinary gains of $5,400,000 ($0.35 per share) in 1984, $1,200,000 ($0.08 per share) in 1983 and $21,800,000 ($2.27 per share) in 1982.

Revenues By Line of Business
(000's)

	12/31/84	3/17/84
Retailing & wholesaling group	$ 1,483,245	$ 2,135,223
Manufacturing group	93,509	72,523
Natural resources group	—	19,670
Total	$ 1,576,754	$ 2,227,416

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
12/31/84	$0.60	—	—
3/17/84	1.00	—	—
3/17/83	1.00	—	—
3/17/82	1.10	—	—
3/17/81	1.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share
12/31/84	$ 437,600,000	$ 27.92
3/17/84	453,100,000	28.90
3/17/83	436,500,000	27.92
3/17/82	424,700,000	27.17
3/17/81	200,800,000	22.83

Income Account
(000's)

Year ended	12/31/84 (41 weeks)	3/17/84
Net sales	$ 1,572,854	$ 2,204,972
Royalties on iron ore	—	13,884
Other income	3,900	8,560
Total income	$ 1,576,754	$ 2,227,416
Cost of sales	1,557,620	2,139,955
Depreciation & amortization	27,492	33,663
Interest expense	14,667	27,180
Other interest	10,072	10,178
Gain on sale of land	(3,477)	(8,381)
Write down of prop.	1,900	2,000
Prov. for store clos.	18,300	—
Income (loss) before taxes	$ (49,820)	$ 22,821
Income taxes (credit)	(26,724)	6,338
Eq. in inc. of assoc. cos.	(21,212)	(15,435)
Minority interests	4,275	5,736
Net Income (Loss)	$ (6,159)	$ 26,182
Extraord. gain	—	5,422
Net Income (Loss) & extraord. gain	$ (6,159)	$ 31,604

Assets
(000's)

As of	12/31/84	3/17/84
Cash	$ 125	$ 5,987
Short-term invest.	33,223	37,047
Accts. receiv., net	58,151	51,704
Income taxes recov.	12,498	—
Merchandise	163,409	163,336
Prepaid expenses	7,304	4,483
Current Assets	$ 274,710	$ 262,557
Investments	410,187	396,749
#Fixed assets	330,745	324,395
Def. capital gains tax	67,405	67,405
Intangibles	5,710	5,978
Unamort. deben. discount	707	750
Total Assets	$ 1,089,464	$ 1,057,834

Liabilities
(000's)

Bank indebtedness	$ 30,989	$ 4,175
Long-term debt & cap. lease oblig., curr.	4,921	3,041
Promissory notes & accrued int.	52,181	81,922
Accts. payable & accruals	173,551	153,008
Income taxes	—	5,070
Curr. Liabilities	$ 261,642	$ 247,216
Long-term debt	133,142	81,656
Oblig. under cap. leases	52,483	50,585
Minority interest	48,104	47,253
Deferred gain	143,508	147,675
Deferred inc. taxes	13,021	30,317
+ Common stock	218,091	218,095
Retained earnings	219,473	235,037
Total Liabilities & Shareholders' Equity	$ 1,089,464	$ 1,057,834

# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	—	1.03
%Net Income to Sales	—	1.19
%Net Income to Equity	—	5.78
Working Capital	$ 13,068,000	$ 15,341,000
Current Ratio	1.05	1.06
Shareholders' Equity	$437,564,000	$453,132,000

Arnold Constable Corporation

240 West 40th Street
New York, New York 10018
(212) 685-2300

Officers: Merwin Bayer, president & chief executive officer, Maurice Lehrman, treasurer, Lorraine Tozzo, secretary

Directors: Merwin Bayer, Aaron Kozak, Steven L. Osterweis, Bruce M. Schragger, Irving L. Strauss, Sidney R. Winters

Business Activities: Operates a chain of specialty stores in regional shopping centers, under the name of NoName Stores, Inc. and Garment District

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1984	46	1981	50
1983	46	1980	50
1982	48		

Sales and Earnings

	Net Sales	Net Income †
1984	$ 15,009,096	$ 236,709
1983	14,436,108	(108,786)
1982	14,326,523	20,051
1981	13,758,242	10,187
1980	13,377,797	(63,873)

	No. of Com. Shares +	Earn. per Share + ‡
1984	931,827	$ 0.25
1983	932,940	—
1982	932,940	0.02
1981	920,015	0.01
1980	747,392	—

(Loss)
‡ Including extraordinary gain of $88,749 ($0.09 per share) in 1984
+ Based on the weighted average number of shares outstanding

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 1,985,095	$ 2.13
1983	1,752,410	1.88
1982	1,861,196	1.99
1981	1,816,145	1.97
1980	1,805,958	2.42

+ Based on the weighted average number of shares outstanding

Income Account *

Year ended	1/28/84	1/29/83
Net sales	$ 15,009,096	$ 14,436,108
Cost of sales	10,551,009	10,429,841
Expenses	4,117,022	3,970,289
Interest expense	46,150	125,235
Loss from dispos. of rights	44,906	16,529
Income (loss) before taxes	$ 250,009	$ (105,786)
Income taxes	102,049	3,000
Net Income (Loss)	$ 147,960	$ (108,786)
Extraord. gain	88,749	—
Net Income (Loss) and extraord. gain	$ 236,709	$ (108,786)

* Included in Costs and Expenses, Depreciation and Amortization: $268,266 in 1984 and $307,446 in 1983

Assets

As of	1/28/84	1/29/83
Cash & cash equivalents	$ 1,439,394	$ 462,613
Accts. receiv., net	135,701	82,430
*Inventories	1,404,120	1,481,264
Prepaid expenses	119,112	117,590
Current Assets	$ 3,098,327	$ 2,143,897
#Fixed assets	1,037,912	1,277,448
Other assets	1,000	4,000
Leasehold costs	18,578	20,722
Total Assets	$ 4,155,817	$ 3,446,067

Liabilities

Notes payable	$ 44,666	$ 32,402
Accts. payable	1,518,964	1,153,505
Accruals	296,130	189,732
Curr. Liabilities	$ 1,859,760	$ 1,375,639
Long-term debt	285,962	293,018
+ Redeem. pref. stock	25,000	25,000
+ + Common stock	468,464	468,464
Add. paid-in capital	5,270,683	5,270,683
Deficit	(3,730,088)	(3,966,797)
Treasury stock	(23,964)	(19,940)
Total Liabilities & Shareholders' Equity	$ 4,155,817	$ 3,446,067

* At lower of cost (retail method) or market
# Less accumulated depreciation
+ No par value, $11 cumulative convertible
+ + $0.50 par value

Statistical Summary

%Net Income to Sales	0.99	—
%Net Income to Equity	7.45	—
Sales to Inventories	10.69	9.74
Working Capital	$1,238,567	$ 768,258
Current Ratio	1.67	1.55
Shareholders' Equity	$1,985,095	$1,752,410

Associated Dry Goods Corporation

417 Fifth Avenue
New York, New York 10016
(212) 679-8700

Officers: William P. Arnold, chairman of the board & chief executive officer, Redmond J. Largay, president, Joseph H. Johnson, vice chairman & chief financial officer, Joseph E. Brooks, sr. exec. v.p. chairman & chief exec. officer, Lord & Taylor; David P. Williams, Joseph Vales, exec. v.p.'s, Carl Bennett, vice president, chairman & chief exec. officer, Caldor, Inc., John P. Calabro, v.p. & corporate controller, Walter C. Daniels, v.p.-planning & construction, George C. Easter, v.p. & treasurer, Howard Falberg, v.p. personnel, David G. Kratz, v.p.-management information systems, Joan S. Levan, v.p. & president-Market Division, Arthur F. O'Day, v.p.-real estate, Joseph J. Schumm, Jr., v.p., secretary & corporate counsel; Joel Wise, v.p.-operations, Arthur J. Jones, divisional v.p.-operations, Paul J. Kittner, div. v.p.-corporate internal audit, Joseph M. Mahon, div. v.p. & merchandise research director, John G. Mann, Jr., div. v.p.-employee relations, Richard A. Maxwell, div. v.p.-international oper., Robert D. Ranck, div. v.p.-credit, Bernard Dorfman, William A. Johnson, Jr., Anthony Cicale, asst. secretaries, John R. Lange, asst. treasurer, John M. Manos, asst. secretary & asst. corporate counsel

Directors: William P. Arnold, chairman, Arthur G. Altschul, Carl Bennett, Joseph E. Brooks, R. Manning Brown, Jr., Thomas S. Carroll, Rodney C. Gott, Joseph H. Johnson, Paul Kolton, Redmond J. Largay, Patricia A. McFate, Alfred J. Moccia, Martha T. Muse, Richard R. Pivirotto, Donald C. Platten, Peter J. Solomon

Business Activities: Operates a chain of department stores and discount stores

Divisions:

Lord & Taylor
New York, Manhasset, Westchester, Millburn, Dearborn, Ann Arbor, Fairfax, Sterling Heights, Fair Oaks, Novi, West Hartford, Bala Cynwyd, Garden City, Washington, Chevy Chase, Jenkintown, Falls Church, North Bethesda, Aurora, Memorial City Park, Greenspoint Mall, Braintree, Skokie, Prestonwood Town Center, Huntington, Palm Beach, Plano, Miami, Aventura Mall, Paramus, Boston, Stamford, Atlanta, Burlington, Oakbrook, Houston, Dallas, Schaumburg, Vernon Hills, Chicago, and Northbrook

Hahne & Company
Newark, Montclair, Westfield, Eatontown, Rockaway, Woodbridge, Quakerbridge, and Livingston

Powers Dry Goods Co.
Minneapolis, St. Louis Park, St. Paul, Blaine, Eden Prairie, Burnsville, and Maplewood

The Stewart Dry Goods Company
Louisville, Lexington, Evansville, Oxmoor, Okalona, Fayette, The Mall, and Dixie Manor

J.W. Robinson Co.
Los Angeles, Beverly Hills, Pasadena, Anaheim, Thousand Oaks, Glendale, Palm Springs, Santa Barbara, Sherman Oaks, Mission Viejo, Santa Monica, Torrance, Cerritos, Newport, San Diego, Woodland Hills, San Fernando Valley, Santa Anita, Westminster, and City of Industry

The Diamond
Charleston, Parkersburg, West Virginia

Sibley, Lindsay & Curr Company
Rochester, Irondequoit, Newark, Fayetteville, Penfield, Buffalo, Amherst, Tonawanda, Eastern Hills, West Seneca, Henrietta, Victor, Greece, and Syracuse

The H & S Pogue Company
Cincinnati, Kenwood, Florence Mall, Tri-County and Northgate

Goldwaters
Phoenix, Scottsdale, Prescott, Tucson, Metrocenter, Mesa, Paradise Valley, Las Vegas and Albuquerque

Stix, Baer & Fuller
St. Louis, Richmond Heights, Jennings, Kansas City, Chesterfield, Crestwood Plaza, Independence, Jamestown, Fairview Heights, South County Center, St. Ann and Oak Park

The Denver Dry Goods Company
Denver, Cherry Creek, Lakeside, Greeley, Billings, Boulder, Northglenn, Colorado Springs, Aurora Mall, New Englewood, Pueblo, Southglenn and Foothills

Joseph Horne Co.
Pittsburgh, Greengate Mall, South Hills Village, Natrona Heights, Northway Mall, Brentwood Whitehall, Monroeville Mall, Beaver Valley Mall, West Erie, Millcreek Mall, Southern Park Mall, Randall Park

Robinson's of Florida
St. Petersburg, Altamonte, West Tampa, Sarasota, Countryside Mall, Orlando and University Square

L. S. Ayres and Company
Indianapolis, Glendale, Lafayette, Merrillville, Fort Wayne, Glenbrook, Southtown, Lafayette Square, Muncie, Mishawaka, Washington Square, South Bend, and Bloomington

Caldor, Inc.
Norwalk, Connecticut
Operates 79 discount department stores in six Northeastern states

Acquisition(s):

Loehmann's Inc.
New York, New York

Associated Dry Goods Corporation

Transfer Agent(s):

Chemical Bank
New York, New York

First National Bank of Boston
Boston, Massachusetts

Mercantile Trust Company
St. Louis, Missouri

Stock Exchange(s): New York

Ticker Symbol: DG

Number of Stores: (at fiscal year end)

1983	247	1980	163
1982	245	1979	155
1981	167		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1983	$ 3,188,858	$ 78,414
1982	2,751,221	69,774
1981	1,952,239	51,764
1980	1,783,212	43,498
1979*	1,605,607	34,159

	No. of Com. Shares‡	Earn. per Share
1983	13,547,000	$ 4.31
1982	13,558,000	4.17
1981	13,526,000	3.83
1980	13,517,000	3.22
1979*	13,516,000	2.53

* 53 weeks
‡ Includes leased departments

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$1.95		
1982	1.75		
1981	1.575		
1980	1.50		
1979	1.50		

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 610,031,000	$ 45.12
1982	577,245,000	42.57
1981	541,243,000	40.00
1980	510,597,000	37.76
1979	487,272,000	36.05

Income Account
(000's)

Year ended	1/29/83	1/30/82
Net sales	$ 3,188,858	$ 2,751,221
Other expense (income)	(6,747)	1,090
Total Income	$ 3,195,605	$ 2,750,131
Cost of sales	2,408,048	2,062,214
Exenses	564,734	499,182
Interest expense	75,698	61,994
Income before taxes	$ 147,125	$ 126,741
Income taxes	68,711	56,967
Net Income	$ 78,414	$ 69,774

Assets
(000's)

As of	1/29/83	1/30/82
Cash	$ 15,652	$ 10,945
Accts. receiv., net	283,891	188,791
*Inventories	461,118	444,161
Prepaid expenses & supplies	21,265	18,496
Current Assets	$ 781,926	$ 662,393
Investments	63,246	58,109
#Fixed assets	799,283	784,516
Other assets	56,229	52,460
Total Assets	$ 1,700,684	$ 1,557,478

Liabilities
(000's)

Long term debt, curr.	$ 20,265	$ 16,290
Accts. payable	205,606	188,888
Accruals	76,871	73,816
Taxes	13,094	13,090
Dividends payable	10,100	9,444
Income taxes	119,994	102,033
Curr. Liabilities	$ 445,930	$ 403,561
Mortg., notes & debentures	436,848	382,263
Contingent compensation	20,199	14,559
Deferred inc. taxes	47,011	39,143
+ Preferred stock	140,665	141,707
+ + Common stock	6,793	6,792
Add. paid-in capital	56,923	60,430
Retained earnings	549,335	510,710
Treasury stock	(3,020)	(687)
Total Liabilities & Shareholders' Equity	$ 1,700,684	$ 1,557,478

* At cost (LIFO) as determined by the retail inventory method
# Less accumulated depreciation and amortization
+ $0.50 par value
+ + $0.50 par value

Statistical Summary

% Income bef. Taxes to Sales	4.61	4.61
% Net Income to Sales	2.46	2.54
% Net Income to Equity	10.45	9.72
Working Capital	$335,996,000	$258,832,000
Current Ratio	1.75	1.64
Shareholders' Equity	$750,696,000	$717,952,000

Autoscope, Inc.

844 Rockville Pike
Rockville, Maryland 20852
(301) 251-1818

Officers: Charles M. Levinson, president; Lois Levinson, v.p.; Robert Singer, secretary

Directors: Charles M. Levinson, Robert Singer, Lois Levinson

Business Activities: Sells, at wholesale and retail, auto seat covers, tops, sunroofs, mufflers, shock absorbers, brakes and other auto accessories and supplies

Transfer Agent(s):

Maryland National Bank
Baltimore, Maryland

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1983	2	1980	3
1982	2	1979	3
1981	3		

Sales and Earnings

	Net Sales	Net Income ‡
1983	$ 1,120,405	$ (1,043)
1982	1,153,334	(36,588)
1981	1,234,979	(21,442)
1980	1,245,736	795
1979*	1,220,673	48,517

	No. of Com. Shares	Earn. per Share ‡
1983	87,537	$ —
1982	87,537	—
1981	87,537	—
1980	87,537	0.01
1979*	87,537	0.55

* Unaudited
(Loss)
‡ Including extraordinary gain of $1,300 ($0.01 per share) in 1979

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 157,171	$ 1.80
1982	155,676	1.78
1981	192,233	2.20
1980	213,686	2.44
1979*	213,130	2.43

* Unaudited

Income Account *

Year ended June 30	1983	1982
Net sales	$ 1,120,405	$ 1,153,334
Cost of sales	598,437	620,893
Expenses	524,536	569,793
Other income	(1,525)	(1,212)
Loss before taxes	$ (1,043)	$ (36,140)
Income taxes		448
Net Loss	$ (1,043)	$ (36,588)

* Included in Costs and Expenses, Depreciation and Amortization: $4,306 in 1983 and $4,545 in 1982

Assets

As of June 30	1983	1982
Cash	$ 26,894	$ 53,985
Accts. receiv., net	59,996	47,456
*Inventories	125,523	128,939
Prepaid expenses		1,046
Refundable income taxes	480	66
Current Assets	$ 212,893	$ 231,492
Investments	18,009	15,415
#Fixed assets	12,844	16,757
Other assets	2,404	2,404
Total Assets	$ 246,150	$ 266,068

Liabilities ‡

Notes payable	$ 14,000	$ 21,500
Accts. payable	63,465	67,014
Accrued expenses	4,103	12,037
Accrued inc. tax		448
Other liabilities	7,411	9,393
Curr. Liabilities	$ 88,979	$ 110,392
+ Common stock	29,411	29,411
Add. paid-in capital	174,708	174,708
Accumulated deficit	(18,793)	(17,750)
Treasury stock	(25,780)	(25,780)
Net unrealized loss	(2,375)	(4,913)
Total Liabilities & Shareholders' Equity	$ 246,150	$ 266,068

* At lower of cost (FIFO) or market
# Less accumulated depreciation and amortization
+ $0.30 par value

Statistical Summary

Sales to Inventories	8.93	8.94
Working Capital	$123,914	$121,100
Current Ratio	2.39	2.10
Shareholders' Equity	$157,171	$155,676

Avon Products, Inc.

9 West 57th Street
New York, New York 10019
(212) 546-6015

Officers: Hicks B. Waldron, president, chairman of the board & chief executive officer; William R. Chaney, James E. Preston, Raymond F. Bentele, exec. v.p.'s; Edmund W. Pugh, Jr., sr. v.p.; Robert H. Hansen, v.p.; Donald S. Moss, Jules Zimmerman, William H. Willet, Robert W. Pratt, Jr., group v.p.'s; Helmuth R. Fandl, v.p. & treasurer; W. Thomas Knight, group v.p., general counsel & secretary; Helmuth R. Fandl, Howard T. Johnson, Margro R. Long, Robert R. McMillan, Norman H. Wethwein, v.p.'s.

Directors: Hicks B. Waldron, R. Manning Brown, Jr., William R. Chaney, Hays Clark, Charles S. Locke, David W. Mitchell, Emil Mosbacher, Jr., Merlin E. Nelson, James R. Peterson, James E. Preston, Ernesta G. Procope, Cecily Cannan Selby, Raymond F. Bentele, Donald S. Fredrickson, Joseph A. Rice, John L. Utheil.

Business Activities: Avon is the world's largest manufacturer and distributor of fragrances and cosmetics. These products, as well as costume jewelry and apparel are sold through representatives in the United States and in 31 foreign countries. Tiffany & Co. sells jewelry, sterling silverware, watches, goldware, clocks, china and stationery through six retail outlets located in New York City, Atlanta, Beverly Hills, Chicago, Dallas, Houston and San Francisco.

Transfer Agent(s):

Morgan Guaranty Trust Co.
30 West Broadway
New York, New York

Stock Exchange(s): New York, Boston, Midwest, Philadelphia, Pacific

Ticker Symbol: AVP

Number of Stores: (at fiscal year end)

1983	8	1981	6
1982	7	1980	6

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1983	$ 3,000,100	$ 164,400
1982	3,000,800	196,600
1981	2,613,800	219,900
1980	2,569,100	242,100
1979	2,377,500	244,000

	No. of Com. Shares ‡	Earn. per Share ‡
1983	74,530,000	$ 2.21
1982	74,350,000	2.75
1981	60,150,000	3.66
1980	60,150,000	4.02
1979	60,140,000	4.06

‡ Based on the average number of shares outstanding during each year.

Revenues By Line of Business
(000's)

	1983	1982
Cosmetics, fragrances, toiletries	$ 1,884,300	$ 1,998,000
Fashion jewelry	330,200	338,300
All other	388,300	336,100
Health-care products	299,400	228,300
Specialty chemicals	102,800	102,000
Eliminations	(4,900)	(1,900)
Total	$ 3,000,100	$ 3,000,800

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$2.00	—	—
1982	2.50	—	—
1981	3.00		
1980	2.95		
1979	2.75		

Common Stock Equity

	Total Equity	Equity Per Share ‡
1983	$1,204,200,000	$ 16.16
1982	1,219,400,000	16.40
1981	933,000,000	15.51
1980	928,300,000	15.43
1979	866,300,000	16.07

‡ Based on the average number of shares outstanding during each year.

Income Account *
(000's)

Year ended Dec. 31	1983	1982
Net sales	$ 3,000,100	$ 3,000,800
Cost of sales	1,290,100	1,278,700
Expenses	1,368,700	1,306,800
Interest income	(40,100)	(41,400)
Other expenses	71,200	64,700
Income before taxes	$ 310,200	$ 392,000
Income taxes	145,800	195,400
Net Income	$ 164,400	$ 196,600

* Included in Costs and Expenses, Depreciation: $55,600 in 1983 and $46,600 in 1982.

Assets
(000's)

As of Dec. 31	1983	1982
Cash	$ 29,200	$ 27,100
Short-term invest.	154,500	134,100
Accts. receiv., net	287,100	282,500
*Inventories	432,700	437,900
Prepaid expenses	126,300	123,500
Current Assets	$ 1,029,800	$ 1,005,100
#Fixed assets	760,400	729,600
Defer. charges	495,600	498,500
Total Assets	$ 2,285,800	$ 2,233,200

Liabilities
(000's)

	1983	1982
Notes payable	$ 67,700	$ 69,000
Accts. payable	195,500	146,300
Accruals	111,200	95,600
Accrued compens.	40,700	39,000
Income taxes	104,100	122,100
Other taxes	74,900	84,400
Curr. Liabilities	$ 594,100	$ 556,400
Long-term debt	318,400	297,300
Other liab.	49,900	54,100
Deferred income taxes	119,200	106,000
+ Common stock	37,300	37,200
Add. paid-in capital	391,400	386,800
Retained earnings	907,500	892,100
Adj. foreign curr. trans.	(132,000)	(96,700)
Total Liabilities & Shareholders' Equity	$ 2,285,800	$ 2,233,200

* At lower of cost or market, domestic inventories at LIFO, all others at FIFO.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.34	13.06
%Net Income to Sales	5.48	6.55
%Net Income to Equity	13.65	16.12
Sales to Inventories	6.93	6.85
Working Capital	$ 435,700,000	$ 448,700,000
Current Ratio	1.73	1.81
Shareholders' Equity	$1,204,200,000	$1,219,400,000

Batus Inc.

2000 Citizens Plaza
Louisville, Kentucky 40202
(502) 581-8000

BATUS Inc. is a wholly owned subsidiary of B.A.T Industries of London, England.

Officers: Charles I. McCarty, chairman of the board & chief executive officer; Henry F. Frigon, president & chief operating officer; Leonard W. Arentsen, sr. v.p. finance; John A. McDonough, sr. v.p. financial services; James R. Clifford, v.p. & treasurer; Tony G. Hall, v.p. human resources; David A. Schechter, v.p. & general counsel; B.D. Cummins, v.p. & controller; Leonard E. Lyles, v.p. management & organizational development; John D. Tyson, v.p. public affairs; David H. Roe, v.p. planning & analysis; F. Anthony Burke, secretary.

Directors: Charles I. McCarty, chairman; Henry F. Frigon, Eric A. A. Bruell, I.W. Hughes, Thomas W. Busch, Gerald I. Dennis, Allan R. Johnson, A.C. Long, Arnold H. Aronson, F. John Worlidge.

Business Activities: Organized in three industrial segments: Tobacco, Retail and Paper. Brown & Williamson Tobacco Corporation manufactures cigarettes, including Barclay, Kool, Lucky Strike, Raleigh and Viceroy. Appleton Papers Inc. produces carbonless and thermal paper and colored enamels.

Retail Divisions:

Saks Fifth Avenue
New York, New York
Operates 40 fashion specialty stores in 18 states.

Gimbels—Midwest
Milwaukee, Wisconsin
Operates 9 department stores in Wisconsin.

Gimbels—East
New York, New York
Operates 20 department stores in Connecticut, New Jersey, New York and Pennsylvania.

Gimbels—Pittsburgh
Pittsburgh, Pennsylvania
Operates 7 department stores in Pennsylvania.

Kohl's Department Stores
Brookfield, Wisconsin
Operates 34 value department stores in Wisconsin, Indiana and Illinois.

Thimbles
New York, New York
Operates 16 specialty fashion stores in 6 states.

The John Breuner Company
San Ramon, California
Operates 17 quality home furnishing stores and 40 furniture rental stores in Arizona, California and Nevada.

Frederick & Nelson
Seattle, Washington
Operates 15 department stores in Washington and Oregon.

The Crescent
Spokane, Washington
Operates 3 stores in Washington.

Ivey's—Carolinas
Charlotte, North Carolina
Operates 13 dept. stores in North and South Carolina.

Ivey's—Florida
Orlando, Florida
Operates 12 dept. stores in Florida.

Marshall Field's
Chicago, Illinois
Operates 21 department stores in Illinois, Wisconsin and Texas.

Number of Stores: (at fiscal year end)

	Department Stores	Specialty Stores	Furnishing Stores
1984	134	56	57
1983	133	46	53

1982	126	43	42
1981	55	37	—
1980	52	40	—

Sales and Earnings

	Net Sales	Net Income
1984	$6,211,078,000	$ 313,523,000
1983	6,063,520,000	258,560,000
1982	5,506,698,000	213,955,000
1981	4,592,259,000	179,698,000
1980	4,161,123,000	196,975,000

Revenues By Line of Business
(000's)

	1984	1983
Tobacco	$ 2,264,105	$ 2,133,342
Retailing	3,374,261	3,145,050
Paper	572,712	465,325
Other	—	319,803
Total	$ 6,211,078	$ 6,063,520

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 6,211,078	$ 6,063,520
Cost of sales	3,572,431	3,456,949
Fed. excise taxes	542,361	540,329
Expenses	1,372,538	1,429,609
Interest expenses	158,043	164,563
Income before taxes	$ 565,705	$ 472,070
Income taxes	252,182	213,510
Net Income	$ 313,523	$ 258,560

* Included in Costs and Expenses: Depreciation $136,426,000 in 1984 and $128,459,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 40,820	$ 18,918
Short-term invest.	545	57,400
Accts. receiv., net	1,128,074	1,030,912
*Inventories	950,851	922,324
Other assets	21,250	25,881
Current Assets	$ 2,141,540	$ 2,055,435
#Fixed assets	1,524,155	1,375,827
Other assets	301,203	123,061
Intangibles	316,799	348,802
Total Assets	$ 4,283,697	$ 3,903,125

Liabilities
(000's)

	1984	1983
Short-term borr.	$ 104,797	$ 83,418
Long-term debt & cap. lease oblig., curr.	31,366	49,203
Accts. payable	381,554	388,647
Accruals	444,903	412,388
Due to affil. co.	22,797	60,910
Income & excise taxes	212,602	219,835
Curr. Liabilities	$ 1,198,019	$ 1,214,401
Long-term debt	1,218,718	1,138,381
Other liab.	473,949	340,855
+ Common stock	1	1
Add. paid-in capital	69,376	69,376
Retained earnings	1,323,634	1,140,111
Total Liabilities & Shareholders' Equity	$ 4,283,697	$ 3,903,125

* At lower of cost (LIFO) or market
# Less accumulated depreciation
+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	9.11	7.79
%Net Income to Sales	5.05	4.26
%Net Income to Equity	22.51	21.38
Sales to Inventories	6.53	6.57
Working Capital	$ 943,521,000	$ 841,034,000
Current Ratio	1.79	1.69
Shareholders' Equity	$1,393,011,000	$1,209,488,000

A. J. Bayless Markets, Inc.

111 East Buckeye Road
Phoenix, Arizona 85004

Mailing address
P.O. Box 21152
Phoenix, Arizona 85036

Officers: Mrs. A.J. Bayless, chairman of the board; Roger S. Hagel, president and general manager; Joseph L. Bayless, v.p.-store operations; Robert C. Dillard, vice president, secretary & treasurer; C. Donald Dorsey, controller & asst. treasurer; Michael E. Esmay, v.p.-merchandising and promotion

Directors: Mrs. A.J. Bayless, chairman; J. Allen Ginn, Jr.; Howard G. Fisher; Elias M. Romley; Roger S. Hagel; Joseph L. Bayless

Business Activities: Operates 59 conventional supermarkets in 21 Arizona cities and one department store

Transfer Agent(s):
First Interstate Bank of Arizona
First Interstate Bank Plaza
Phoenix, Arizona 85004

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BAYM (NASDAQ)

Number of Stores: (at fiscal year end)

1983	60	1980	62
1982	59	1979	60
1981	59		

Sales and Earnings

	Net Sales	Net Income
1983	$ 378,088,000	$ 3,447,000
1982	383,801,000	1,481,000
1981	384,038,000	2,492,000
1980*	368,521,000	2,550,000
1979	319,837,000	2,193,000

	No. of Com. Shares	Earn. per Share ‡
1983	1,120,136	$ 3.08
1982	1,120,136	1.32
1981	1,120,136	2.20
1980*	1,140,136	2.16
1979	1,180,636	1.86

* 53 weeks
‡ Based on the weighted average number of shares outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$0.60	—	—
1982	0.60	—	—
1981	0.60	—	—
1980	0.80	—	—
1979	0.60	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 31,643,000	$ 28.25
1982	28,868,000	25.77
1981	28,059,000	25.05
1980	26,428,000	23.18
1979	25,313,000	21.44

Income Account
(000's)

Year ended	12/31/83	1/1/83
Net sales	$ 378,088	$ 383,801
Cost of sales	280,812	291,336
Expenses	86,353	85,933
Depreciation & amortization	2,933	2,786
Interest expense	1,553	1,425
Income before taxes	$ 6,647	$ 2,321
Income taxes	3,200	840
Net Income	$ 3,447	$ 1,481

Assets
(000's)

As of	12/31/83	1/1/83
Cash	$ 7,177	$ 5,536
Accts. receiv., net	1,677	1,582
Refundable income taxes	438	—
*Inventories	27,597	26,503
Prepaid expenses	1,203	1,328
Current Assets	$ 37,654	$ 35,387
#Fixed assets	21,113	21,020
Leased prop. under cap. leases	8,202	6,852
Deposits & other assets	982	1,318
Total Assets	$ 67,951	$ 64,577

Liabilities
(000's)

	12/31/83	1/1/83
Long-term debt, curr.	$ 136	$ 144
Cap. lease oblig., curr.	576	552
Notes payable	—	2,000
Accts. payable	14,482	13,306
Accruals	8,691	7,862
Income taxes	218	—
Curr. Liabilities	$ 24,103	$ 23,864
Long-term debt	960	2,090
Deferred inc. taxes	1,005	813
Oblig. under cap. lease	10,240	8,942
+ Common stock	1,190	1,190
Add. paid-in capital	3,333	3,333
Retained earnings	27,894	25,119
Treasury stock	(774)	(774)
Total Liabilities & Shareholders' Equity	$ 67,951	$ 64,577

* At lower of cost (FIFO) or market
# Less accumulated depreciation
+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	1.76	0.60
%Net Income to Sales	0.91	0.39
%Net Income to Equity	10.89	5.13
Sales to Inventories	13.70	10.51
Working Capital	$13,551,000	$11,523,000
Current Ratio	1.56	1.48
Shareholders' Equity	$31,643,000	$28,868,000

Bayly Corp.

Bldg. 22
Denver Tech Center
Englewood, Colorado 80111
(303) 773-3850

Officers: David T. Marantette, chairman of the board & chief executive officer; Canton O'Donnell, president & chief operating officer; Al W. Blair, v.p. & gen. mgr., branded/private label division; W. Lamar Bullard, v.p. operations; C. Hugh Freeze, v.p. finance; Joseph L. Holgerson, v.p. & gen. mgr., Ocean Pacific division; Kenneth R. Delk, v.p.; Calvin Tipton, secretary & treasurer

Directors: David T. Martanette, III, chairman; Canton O'Donnell; Charles J. Bock; John J. Brinkel; Leet E. Denton; Ronald T. Hill; Charles F. Talbot, Jr.; Jack A. Tompkins

Business Activities: Manufacturer of leisure and utility apparel, largely men's and boy's clothing. Jeans and leisure wear comprise the major portion of its operations. Also operates retail stores specializing in sports equipment and casual wear.

Divisions and Subsidiaries:

Aspen Leaf, Inc.
Operates retail stores in Denver and Colorado Springs, Colorado and Minneapolis, Minnesota

Appelcraft Division
Men's and boy's apparel

Transfer Agent(s):

Bank of America, N.T. & S.A.
55 Hawthorne Street
San Francisco, California 94105

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BAYL (NASDAQ)

Number of Stores: (at fiscal year end)

1984	10	1981	10
1983	8	1980	11
1982	9		

Sales and Earnings

	Revenues	Net Income
1984	$ 131,992,000	$ 1,194,000
1983	102,361,000	3,204,000
1982	94,724,276	(2,531,116)
1981	106,018,000	2,881,811
1980	108,927,000	1,887,497

	No. of Com. Shares†	Earn. per Share ‡
1984	2,435,000	$ 0.49
1983	2,409,000	1.33
1982	2,716,000	
1981	2,740,000	1.05
1980	2,756,000	0.68

(Loss)
† Of continuing operations only
‡ Based on the average number of shares outstanding adjusted to reflect stock split

Revenues By Line of Business
(000's)

	1984	1983
Apparel	$ 119,829	$ 93,261
Retail	11,756	8,371
Other income	407	729
Total	$ 131,992	$ 102,361

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$0.12		
1983	.07		4-for-1
1982	.05		
1981	.05		
1980	.05		

‡ Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 25,292,000	$ 10.39
1983	23,986,000	9.96
1982	23,463,312	8.64
1981	26,130,229	9.62
1980	23,384,219	8.53

‡ Based on the average number of shares outstanding adjusted to reflect stock split

Income Account *

Year ended Oct. 31	1984	1983
Net sales	$ 131,585,000	$ 101,632,000
Other income	407,000	729,000
Total Income	$ 131,992,000	$ 102,361,000
Cost of sales	94,652,000	72,423,000
Expenses	29,288,000	20,882,000
Shipping exp.	3,433,000	2,261,000
Interest expense	2,868,000	1,071,000
Income before taxes	$ 1,751,000	$ 5,724,000
Income taxes	557,000	2,520,000
Net Income	$ 1,194,000	$ 3,204,000

* Included in Costs and Expenses: Depreciation: $2,915,000 in 1984 and $1,952,000 in 1983.

Assets

As of Oct. 31	1984	1983
Cash & cert. of deposit	$ 4,246,000	$ 4,865,000
Accts. receiv., net	17,071,000	11,011,000
Refundable taxes	1,957,000	
*Inventories	36,234,000	22,913,000
Def. inc. tax benefits	369,000	
Prepaid expenses	467,000	122,000
Current Assets	$ 60,344,000	$ 38,911,000
#Fixed assets	8,796,000	5,547,000
Other asets	9,252,000	2,993,000
Total Assets	$ 78,392,000	$ 47,451,000

Liabilities

	1984	1983
Note payable	$ 12,445,000	$
Long-term debt, curr.	3,975,000	1,239,000
Accts. payable	11,375,000	9,400,000
Accruals	5,409,000	5,327,000
Income taxes		278,000
Curr. Liabilities	$ 33,204,000	$ 16,244,000
Long-term debt	18,819,000	6,387,000
Deferred inc. taxes	1,077,000	834,000
+ Common stock	2,816,000	2,816,000
Add. paid-in capital	542,000	412,000
Retained earnings	24,548,000	23,638,000
Treasury stock	(2,614,000)	(2,880,000)
Total Liabilities & Shareholders' Equity	$ 78,392,000	$ 47,451,000

* At lower of cost (LIFO) or market
# Less accumulated depreciation
+ $1 par value

Statistical Summary

	1984	1983
% Income bef. Taxes to Sales	1.33	5.63
% Net Income to Sales	0.91	3.15
% Net Income to Equity	4.72	13.36
Sales to Inventories	3.63	4.44
Working Capital	$27,140,000	$22,667,000
Current Ratio	1.82	2.40
Shareholders' Equity	$25,292,000	$23,986,000

The Becker Milk Company Limited

671 Warden Avenue
Scarborough, Ontario, Canada M1L 3Z7
(416) 698-2591

Officers: Frank A. Bazos, chairman of the board; Robert W. Lowe, president; Geoffrey W. J. Pottow, exec. v.p.; Robert Bazos, Harold Keene, George Panos, vice presidents; Arvi Magi, vice president, treasurer & secretary

Directors: Frank A. Bazos, chairman; Robert W. Lowe, Robert Bazos, E. S. Miles, George Panos, Geoffrey W. J. Pottow, Arvi Magi, R. S. Paddon

Business Activities: Operates a chain of dairy and convenience stores throughout Ontario. Also engaged in the business of processing milk and dairy products.

Divisions and Subsidiaries:

Starlight Variety Stores

Transfer Agent(s):

The Royal Trust Company
Toronto, Ontario, Canada
Montreal, Quebec, Canada

Stock Exchange(s): Toronto

Ticker Symbol: BEKQ

Number of Stores: (at fiscal year end)

1984	653	1981	631
1983	653	1980	619
1982	649		

Sales and Earnings

	Net Sales	Net Income
1984	$ 257,226,204	$ 5,676,774
1983	233,113,251	5,033,470
1982	224,571,881	4,878,542
1981	200,981,040	5,023,506
1980	173,953,370	4,164,828

	No. of Com. Shares #	Earn. per Share #
1984	1,728,360	$ 3.26
1983	1,728,360	2.89
1982	1,728,360	2.81
1981	1,720,360	2.90
1980	1,720,360	2.40

# Based on common shares and Class B preference shares combined

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.55		
1983	0.55		
1982	0.55		
1981	0.50		
1980	0.40		

Common Stock Equity

	Total Equity †	Equity Per Share ‡
1984	$ 37,589,570	$ 21.75
1983	32,983,862	19.08
1982	28,978,249	16.77
1981	25,033,955	14.55
1980	20,904,679	12.15

† After allowing for Class A preference stock at par value
‡ Based on common shares and Class B preference shares combined

Income Account

Year ended April 30	1984	1983
Net sales	$ 257,226,204	$ 233,113,251
Cost of sales	183,877,484	162,274,918

Expenses	57,530,782	56,063,796
Depreciation & amortization	4,405,779	4,182,473
Interest expense	558,053	815,294
Income before taxes	$ 10,854,106	$ 9,776,770
Income taxes	5,177,332	4,743,300
Net Income	$ 5,676,774	$ 5,033,470

Assets

As of April 30	1984	1983
Cash	$ 61,300	$ 61,121
Accts. receiv. - net	2,319,224	3,056,949
*Inventories	20,428,500	17,924,900
Prepaid expenses	1,083,098	511,065
Mortg. receiv.	12,262	39,580
Current Assets	$ 23,904,384	$ 21,593,615
Investments	171,476	268,688
#Fixed assets	38,927,417	34,898,199
Other assets	1,177,207	1,410,138
Total Assets	$ 64,180,484	$ 58,170,640

Liabilities

Bank indebtedness	$ 2,063,955	$ 1,195,560
Accts. payable & accruals	17,109,420	13,137,543
Dividends payable	518,508	518,508
Loan payable		1,971,289
Sundry mortg. & debenture payable	760,705	819,373
Inc. taxes pay.		261,495
Curr. Liabilities	$ 20,452,588	$ 17,903,768
Bank loan	3,875,000	4,500,000
Long-term debt		
Deferred franchise income	196,257	271,749
Mortg. payable	823,878	803,605
Other debt	452,300	853,000
Less curr. portion	(760,705)	(819,373)
Deferred inc. taxes	984,096	1,106,529
+ Class A preferred	567,500	567,500
+ + Class B preferred	916,955	916,955
+ + + Common stock	288	288
Retained earnings	36,672,327	32,066,619
Total Liabilities & Shareholders' Equity	$ 64,180,484	$ 58,170,640

* At lower of cost (FIFO) or net realizable value

# Less accumulated depreciation and amortization

+ $100 par value, 6% cumulative

+ + No par value, non-voting, non-cumulative

+ + + No par value

Statistical Summary

%Income bef. Taxes to Sales	4.22	4.19
%Net Income to Sales	2.21	2.16
%Net Income to Equity	14.88	15.00
Sales to Inventories	12.59	13.00
Working Capital	$ 3,451,796	$ 3,689,847
Current Ratio	1.77	1.21
Shareholders' Equity	$38,157,070	$33,551,362

Begley Company

P.O. Box 1000
Eastern Kentucky University Bypass
Richmond, Kentucky 40475
(606) 623-2550

Officers: Robert J. Begley, chairman of the board and president; Donald R. Snyder, exec. v.p. and treasurer; Wendell W. Lake, sr. v.p.-Industrial Div.; Clarence E. Fain, v.p.-fixturing & merchandising; Conley C. Congleton, v.p., general counsel & secretary; Herschel Workman, controller and asst. treasurer; Billy R. Masters, v.p.-management information services; Orlando F. Segneri, sr. v.p.-retail operations; James M. Davenport, v.p.-marketing

Directors: James K. Lewis*, Robert J. Begley*, Robert L. Maddox, Jr., Russell Steele Gregory, Donald R. Snyder*, Robert R. Martin*, Wendell W. Lake, Tracy Farmer, Orlando F. Segneri

* Member of the Executive Committee

Business Activities: Operate drug stores and pharmacies in Kentucky. Also operates dry cleaners in Florida, Illinois, Alabama, Indiana, Iowa, Kentucky, Missouri and Tennessee under the names "Big B" and "Key One Hour Cleaners." Also operates four convalescent aids stores.

Subsidiaries:

B & B Equipment & Supply Company
Richmond, Kentucky
Distributor of dry cleaning supplies

Convenience Manufacturing Corporation
Richmond, Kentucky
Manufactures drive-in windows

Transfer Agent(s):

The Central Trust Company
Cincinnati, Ohio

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BGLY (NASDAQ)

Number of Stores:

	Drug Stores	Apothecaries	Dry Cleaners	Convalescent Aids and Home Health Care Centers
1985	42		125	5
1984	45		108	4
1983	43	3	91	4
1982	43	4	76	3
1981	45	6	75	2

Sales and Earnings

	Oper. Revenues	Net Income
1985	$ 66,104,802	$ 694,843
1984	61,460,456	733,460
1983	56,786,439	806,592
1982	49,981,558	229,319
1981	47,289,347	798,241

	No. of Com. Shares	Earn. per Share #
1985	552,290	$ 1.26
1984	553,263	1.33
1983	547,945	1.47
1982	553,157	0.40
1981	586,404	1.31

# Based on the average number of shares outstanding

Revenues By Line of Business

	1985	1984	1983	1982
Drug stores	72%	75%	77%	75%
Dry cleaning	28	25	23	25
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.68	—	—
1984	0.68	—	—
1983	0.68	—	—
1982	0.68	—	—
1981	0.68	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 10,375,758	$ 18.79
1984	10,073,433	18.21
1983	9,608,378	17.54
1982	9,237,101	16.70
1981	9,747,537	16.62

Income Account *

Year ended March 31	1985	1984
Net sales	$ 50,277,949	$ 36,044,855
Other income	15,826,853	15,415,601
Total Income	$ 66,104,802	$ 61,460,456
Cost of sales	31,194,687	30,427,069
Expenses	32,669,853	28,903,163
Oper. profit	$ 2,240,262	$ 2,130,224
Other income	278,559	134,051
Total	$ 2,518,821	$ 2,264,275
Interest expense	1,352,978	1,051,815
Income before taxes	$ 1,165,843	$ 1,212,460
Income taxes	471,000	479,000
Net Income	$ 694,843	$ 733,460

* Included in Costs and Expenses, Depreciation and Amortization: $1,483,412 in 1985 and $1,344,258 in 1984.

Assets

As of March 31	1985	1984
Cash	$ 890,200	$ 1,333,482
Accts. receiv. - net	2,106,776	1,551,359
Other receiv.	638,862	442,159
*Inventories	13,110,688	12,747,315
Current Assets	$ 16,746,526	$ 16,074,315
#Fixed assets	9,577,721	8,917,493
Other assets	2,026,305	1,962,747
Total Assets	$ 28,350,552	$ 26,954,555

Liabilities

Notes payable	$ 1,750,000	$ 1,000,000
Long-term debt, curr.	1,021,014	987,440
Cap. lease oblig. - curr.	669,645	631,648
Accts. payable & accruals	6,570,679	5,554,584
Income & other taxes	121,066	142,076
Current Liabilities	$ 10,132,404	$ 8,315,748
Long term debt	7,646,390	8,587,374
Def. inc. taxes	196,000	(22,000)
+ Common stock	926,859	925,771
Add. paid-in capital	1,987,108	1,979,864
Retained earnings	7,524,126	7,204,648
Treasury stock	(62,335)	(36,850)
Total Liabilities & Shareholders' Equity	$ 28,350,552	$ 26,954,555

* Merchandise on retail method (cost is determined by LIFO method), supplies at latest invoice cost, which approximates FIFO

# Less accumulated depreciation and amortization

+ $1.66⅔ par value

Statistical Summary

%Income bef. Taxes to Sales	2.32	2.63
%Net Income to Sales	1.38	1.59
%Net Income to Equity	6.70	7.28
Sales to Inventories	3.83	4.04
Working Capital	$ 6,614,122	$ 7,758,567
Current Ratio	1.65	1.93
Shareholders' Equity	$10,375,758	$10,073,433

W. Bell & Co., Inc.

12401 Twinbrook Parkway
Rockville, Maryland 20852
(301) 881-2000

Officers: Walter Bell, chairman of the board & president; Bernard M. Blum, exec. v.p.; Fredric J. Bell, senior vice president. Desmond J. Karniolinski, v.p. merchandising; Warren E. Lawhon, v.p. advertising & catalog production; Dorothy Bell, secretary; Martin Pfeifer, v.p. finance, treasurer; Larry McPherson, v.p. corp. systems; Thomas E. Tatum, v.p. branch operations.

Directors: Walter Bell, chairman; Bernard M. Blum, Fredric J. Bell, Dorothy Bell, Martin Pfeifer.

Business Activities: Operates a chain of showrooms/warehouses selling gift merchandise; also conducts catalog sales. Showrooms are located in the Washington, D.C., Baltimore, Maryland, Houston, Texas, and Chicago, Illinois metropolitan areas.

Transfer Agent(s):

Maryland National Bank
Baltimore, Maryland

Stock Exchange(s): Over the Counter

Ticker Symbol: BLEW (NASDAQ)

Number of Stores: (at fiscal year end)

1984	18	1981	15
1983	18	1980	13
1982	18		

Sales and Earnings

	Net Sales	Net Income
1984	$ 138,060,000	$ 2,657,000
1983	125,365,171	2,691,360
1982	134,592,847	1,423,166
1981	107,435,071	2,425,986
1980	95,476,427	2,388,450

	No. of Com. Shares‡	Earn. per Share‡
1984	2,581,559	$ 1.03
1983	2,169,302	1.24
1982	2,171,082	0.66
1981	2,173,804	1.12
1980	2,176,548	1.10

‡ Based on the average number of shares outstanding adjusted to reflect stock dividends and stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	10%	
1983	—	5%	
1982	—		3-for-2
1981	—	20%	
1980	—	5%	

Common Stock Equity

	Total Equity	Equity Per Share‡
1984	$ 27,266,000	$ 10.56
1983	18,841,719	8.69
1982	16,161,976	7.44
1981	14,749,925	6.79
1980	12,338,909	5.78

‡ Based on the average number of shares outstanding adjusted to reflect stock dividends and stock split.

Income Account

Year ended	6/30/84	6/25/83
Net sales	$ 138,060,000	$ 125,365,171
Cost of sales	107,369,000	97,827,002
Expenses	22,717,000	19,528,565
Depreciation & amortization	1,941,000	1,797,218
Interest expense	1,041,000	1,777,076
Income before taxes	$ 4,992,000	$ 4,435,310
Income taxes	2,335,000	1,743,950
Net Income	$ 2,657,000	$ 2,691,360

Assets

As of	6/30/84	6/25/83
Cash	$ 1,014,000	$ 1,287,351
Accts. receiv. net	249,000	586,206
Income taxes	35,000	
*Inventories	33,471,000	27,844,999
Other assets	2,099,000	1,660,126
Current Assets	$ 36,868,000	$ 31,378,682
#Fixed assets	15,877,000	17,292,594
Other assets	106,000	206,810
Total Assets	$ 52,851,000	$ 48,878,086

Liabilities

Notes payable	$ 1,000,000	$
Long term debt, curr.	780,000	479,195
Accts. payable	11,418,000	10,507,556
Accruals	3,616,000	3,669,476
Income taxes	573,000	1,040,708
Curr. Liabilities	$ 17,387,000	$ 15,696,935
Long term debt	6,368,000	12,852,823
Deferred inc. taxes	1,830,000	1,486,609
+ Common stock	281,000	203,075
Add. paid-in capital	16,470,000	6,956,493
Retained earnings	10,661,000	11,771,591
Treasury stock	(96,000)	(89,440)
Total Liabilities & Shareholders' Equity	$ 52,851,000	$ 48,878,086

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

% Income bef. Taxes to Sales	3.62	3.54
% Net Income to Sales	1.92	2.15
% Net Income to Equity	9.74	14.28
Sales to Inventories	4.12	4.50
Working Capital	$19,481,000	$15,681,747
Current Ratio	2.12	2.00
Shareholders' Equity	$27,266,000	$18,841,719

Beneficial Corporation

Beneficial Building
Wilmington, Delaware 19899
(302) 798-0800

Officers: Finn M. W. Caspersen, chairman of the board & chief executive officer; Gerald L. Holm, vice chairman; Robert A. Tucker, member of the office of the president & chief financial officer; David J. Farris, member of the office of the president; William A. Gross, sr. v.p.-audit; James H. Gilliam, Jr., sr. v.p.-legal; Andrew C. Halvorsen, second vice-chairman; William H. H. Ely, Jr., sr. v.p. & treasurer; Kenneth J. Kircher, v.p. & secretary; Robert R. Meyer, sr. v.p. & controller; William V. Krause, v.p.; Bruce A. Olster, sr. v.p.-tax; Deborah A. Smith, v.p.-planning & corporate strategy; Ann Stephenson, v.p.-public affairs.

Directors: Cecil M. Benadom, Charles W. Bower, George R. Evans*, Robert A. Tucker*, Charles H. Watts II*, Robert C. Cannada, Elbert N. Carvel, Finn M. W. Caspersen*, Arthur T. Ward, Jr., K. Martin Worthy, Gerald L. Holm*, Susan J. Ross, E. Norman Veasey, David J. Farris*, J. Robert Hillier, John T. Lundegard, Steven Muller, Sigfried Weis, James H. Gilliam, Andrew C. Halvorsen*

* Member of the Executive Committee

Business Activities: The Company is a Delaware holding company, subsidiaries of which are engaged principally in the consumer loan, sales finance, leasing credit card and insurance businesses and in the merchandising business. The Company's finance and insurance subsidiaries constitute the Finance Division. Western Auto Supply Company and subsidiaries constitutes the Merchandising Division. Western sells a variety of merchandise, principally durable goods, at retail in its own stores and at wholesale to independently-owned and operated associate stores.

Subsidiaries:

Beneficial Management Corporation
Peapack, New Jersey

Beneficial Insurance Group
Peapack, New Jersey

Beneficial National Bank
Wilmington, Delaware

Beneficial National Bank USA
Wilmington, Delaware

Western Auto Supply Company
Kansas City, Missouri

Beneficial Mortgage Corp.
Wilmington, Delaware

Beneficial Commercial Corp.
Peapack, New Jersey

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
New York, New York

Stock Exchange(s): New York

Ticker Symbol: BNL

Number of Stores:* (at fiscal year end)

1984	197	1981	263
1983	216	1980	273
1982	227		

* Company-owned Western Auto Stores

Sales and Earnings

	Revenue†	Net Income
1984	$ 697,700,000	$ 106,300,000
1983	650,300,000	105,600,000
1982	599,700,000	(31,400,000)
1981	648,700,000	(7,700,000)
1980	669,500,000	93,800,000

	No. of Com. Shares‡	Earn. per Share‡
1984	22,200,000	$ 4.02
1983	22,400,000	3.96
1982	22,400,000	—
1981	22,300,000	—
1980	22,300,000	3.44

(Loss)
† Merchandising division only; of continuing operations only.
‡ Based on the average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Finance Division	$ 1,804,600	$ 1,581,900
Merchandising Division	697,700	650,300
Total	$ 2,502,300	$ 2,232,200

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Finance Division		
Revenues	$ 1,804,600	$ 1,581,900
Expenses	1,669,900	1,417,800
Income before taxes	$ 134,700	$ 164,100
Income taxes	21,100	49,800
Income from Finance Div.	$ 113,600	$ 114,300
Income from Merch. Division	16,600	15,500
Corp. exp. after taxes	(23,900)	(24,200)
Net Income	$ 106,300	$ 105,600

* Included in Costs and Expenses, Depreciation and Amortization: $11,000,000 in 1984 and $32,400,000 in 1983.

Assets
(000's)

As of Dec 31	1984	1983
Cash	$ 30,700	$ 22,100
Finance receiv	5,037,500	4,555,200
Receiv acq from merch div	61,900	54,100
Investments	1,635,800	1,309,900
Eq in assets of merch div	186,100	184,500
#Fixed assets	116,500	98,300
Other assets	652,400	492,200
Total Assets	$ 7,720,900	$ 6,716,300

Liabilities
(000's)

	1984	1983
Short term debt	$ 835,500	$ 509,600
Deposits payable & emp thrift dep	253,000	230,500
Accts payable & accruals	431,400	318,600
Insurance policy & claim reserves	1,243,700	862,900
Long term debt	3,964,500	3,841,700
Redeem pref stock	125,000	125,000
Preferred stock	115,800	115,800
+ Common stock	22,300	22,300
Add paid-in capital	63,500	63,300
Net unreal loss on eq sec	(16,000)	(12,700)
For curr trans adjust	(18,400)	(15,900)
Retained earnings	700,600	655,200
Total Liabilities & Shareholders' Equity	$ 7,720,900	$ 6,716,300

# Less accumulated depreciation and amortization
+ $1 par value

Berkshire Hathaway Inc.

1440 Kiewit Plaza
Omaha, Nebraska 68131
(402) 342-4110

Officers: Warren E. Buffett, chairman of the board & chief executive officer; Charles T. Munger, vice chairman; Kenneth V. Chace, president & chief operating officer textile operations; Michael A. Goldberg, v.p.; J. Verne McKenzie, v.p., secretary & treasurer

Directors: Warren E. Buffett, chairman; Charles T. Munger; Kenneth V. Chace; Malcom G. Chase, Jr.; J. Verne McKenzie

Business Activities: Engaged in spinning of yarn from synthetic fibers and weaving of fabrics from synthetic yarn, both spun and filament. Manufactures men's wear rayon linings, curtain materials, draperies, home furnishing materials. Also, through subsidiaries, the company is engaged in the underwriting of property and casual insurance, in the candy business, the trading stamps and motivation business and the newspaper business.

Plant Location:

New Bedford, Massachusetts

Divisions and Subsidiaries:

Bourne Mills of Canada, Ltd
120 Wellington Street, W
Toronto, Ontario, Canada

National Indemnity Company
3024 Harney Street
Omaha, Nebraska 68131

National Fire and Marine Insurance Co
3024 Harney Street
Omaha, Nebraska 68131

Cornhusker Casualty Co
3035 Harney Street
Omaha, Nebraska 68131

Lakeland Fire and Casualty Co
6700 France Avenue South
Minneapolis, Minnesota 55435

Insurance Co. of Iowa
1228-8th Street
West Des Moines, Iowa 50265

Texas United Insurance Co
1802 N.E. Loop 410
San Antonio, Texas 78217

Home and Automobile Insurance Co
209 West Jackson Boulevard
Chicago, Illinois 60606

Cypress Insurance Company
Pasadena, California

Blue Chip Stamps (60% owned)
5801 South Eastern Avenue
Los Angeles, California 90040

Wesco Financial Corporation (48% owned)
315 E. Colorado Boulevard
Pasadena, California 91109

Illinois National Bank & Trust Co. of Rockford
(98% owned)
228 Main Street
Rockford, Illinois 61101

Sun Newspapers, Inc
900 S. 74 Plaza, Suite 400
Omaha, Nebraska 68114

Waumbec Mills Incorporated
Manchester, New Hampshire
Produces woven goods for the drapery and apparel trade

Precision Steel Warehouse, Inc. (80% owned)
Franklin Park, Illinois

Associated Retail Stores, Inc
Long Island City, New York
Operates a chain of 88 popular priced women's apparel stores

Nebraska Furniture Mart (90% owned)
Omaha, Nebraska
Operates a discount furniture store in Nebraska

Transfer Agent(s):

First National Bank of Boston
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BKHT (NASDAQ)

Number of Stores: (at fiscal year end)

1983	91

Sales and Earnings ×

	Revenues ‡	Net Income
1983	$ 623,726,000	$ 113,493,000
1982	521,472,000	46,374,000
1981	529,234,000	62,604,000
1980*	429,157,000	53,122,000
1979	469,125,000	42,817,000

	No. of Com Shares +	Earn per Share +
1983	1,066,709	$ 106.40
1982	986,509	47.01
1981	986,322	63.47
1980*	1,027,145	51.72
1979	1,027,145	41.68

* 53 weeks
× Restated to conform to current consolidation practices
‡ Revenues include insurance premiums, sales of textile products, interest and dividend income, and equity in earnings of Wesco
+ Based on the average number of shares outstanding

Revenues By Line of Business
(000's)

	1983	1982
Insurance	$ 217,729	$ 194,736
Textiles	26,611	21,755
Retailing	41,997	42,609
Candy	133,616	123,770
Steel serv ctr	46,266	37,483
Retailing of home furn	28,910	
Newspaper	90,161	63,630
Other	38,436	37,489
Total	$ 623,726	$ 521,472

Common Stock Equity

	Total Equity	Equity Per Share
1983	$1,119,193,000	$ 1049.20
1982	727,483,000	737.43
1981	519,463,000	526.84
1980	395,214,000	400.80
1979	344,962,000	335.85

Income Account *
(000's)

Year ended	12/31/83	1/1/83 ‡
Insurance prem earned	$ 152,480	$ 152,945
Sales of manufacturing, merch & serv oper	381,674	306,564
Int & dividend income	85,903	58,003
Eq in earn of Mutual S & L	3,669	3,960
Revenues	$ 623,726	$ 521,472
Cost of prods & serv sold	214,362	177,508
Expenses	122,023	110,021
Insurance underwriting expense	52,243	52,508
Interest expense	15,104	14,995
Insurance losses	134,109	121,996
Income before taxes	$ 85,885	$ 44,444
Income taxes	10,353	2,524
Minority interest	7,337	10,423
Real invest gain	(45,298)	(14,877)
Net Income	$ 113,493	$ 46,374

* Included in Costs and Expenses, Depreciation and Amortization $7,953,000 in 1983 and $7,092,000 in 1982
‡ Restated

Assets
(000's)

As of	12/31/83	1/1/83 ‡
Cash	$ 6,161	$ 7,762
Accts receiv , net	72,813	113,770
*Inventories	37,516	26,139
Investments	1,515,738	1,227,119
Investments in affiliates	27,004	23,758
#Fixed assets	69,749	63,020
Other assets	48,084	57,993
Goodwill	79,327	13,823
Total Assets	$ 1,856,392	$ 1,533,284

Liabilities
(000's)

	12/31/83	1/1/83 ‡
Long term debt	$ 128,984	$ 169,947
Losses & loss adj expenses	212,706	193,477
Unearned premiums	55,783	58,414
Accts payable, accruals & other liab	58,094	50,552
Income taxes	8,511	22,007
Deferred inc taxes	194,462	149,987
Unredeemed trading stamps	60,669	60,240
Min shareholders' int	17,990	101,177
+ Common stock	6,876	6,071
Add paid-in capital	157,377	3,517

Apprec. of eq. securities	481,953	358,121
Retained earnings	513,925	400,432
Treasury stock	(40,938)	(40,658)
Total Liabilities & Shareholders' Equity	$ 1,856,392	$ 1,533,284

‡ Restated
* At LIFO cost or at lower of cost (FIFO or average) or market
# Less accumulated depreciation and amortization
+ $5 par value

Statistical Summary

%Income bef. Taxes to Revenues	13.77	8.52
%Net Income to Revenues	18.20	8.89
%Net Income to Equity	10.14	6.37
Shareholders' Equity	$1,119,193,000	$727,483,000

Best Products Co., Inc.

Parham Road at I-95
Richmond, Virginia 23227
(804) 261-2000

Mailing address

P.O. Box 26303
Richmond, Virginia 23260

Officers: Sydney Lewis, chairman of the board & chief executive officer; Andrew M. Lewis, president & chief operating officer; Frances A. Lewis, exec. v.p.; Robert E. R. Huntley, exec. v.p.; Joel D. Koblentz, exec. v.p. and chief financial officer; Richard T. Riley, sr. v.p.-specialty retailing division; Richard J. Ciofani, v.p.-accounting; Dudley L. Parker, Jr., sr. v.p.-administration; John Penn, v.p.-real estate & facilities development; Richard A. Schroeter, v.p. & treasurer; Fred A. Wollenberg, v.p.-planning; James J. Spencer, corp. secretary; Susan L. Butler, asst. v.p.-corp. philanthropy; Edwin J. Slipek, Jr., asst. v.p.-corp. communications; Wayne T. Tennent, asst. v.p.-corporate personnel and training

Directors: Robert L. Burrus, Jr., David Arenstein, Robert Huntley, Andrew Lewis, Sydney Lewis, Frances Lewis, H. Fred Krimendahl, II, Ross R. Millhiser, James C. Wheat, Jr., Susan L. Butler, Cathleen Douglas Stone, Frank S. Royal, Harold Rottenberg

Business Activities: Sells jewelry and nationally advertised brand-name merchandise through catalog showrooms in 27 states under the names Best, LaBelle's, Jafco, Dolgin's, Rogers, Great Western and Miller Sales.

Acquisition(s):

Basco, Inc.
Operates 11 showrooms

Modern Merchandising, Inc.
Operates 74 showrooms

Transfer Agent(s):

United Virginia
9th & Main Streets
Richmond, Virginia 23219

Stock Exchange(s): New York

Ticker Symbol: BES

Number of Stores: (at fiscal year end)

1984	197	1981	92
1983	189	1980	76
1982	100		

Sales and Earnings

	Net Sales	Net Income
1/28/84	$2,081,328,000	$ 37,087,000
1/29/83	1,581,650,000	28,820,000
1/30/82*	772,727,000	19,511,000
6/27/81	1,002,037,000	24,161,000
6/28/80	841,803,000	20,204,000

	No. of Com. Shares #	Earn. Per Share #
1/28/84	26,443,000	$ 1.40
1/29/83	17,660,000	1.63
1/30/82*	14,553,000	1.37
6/27/81	14,535,000	1.66
6/28/80	14,213,000	1.42

* 7 months
# Based on the weighted average number of common shares outstanding adjusted to reflect stock split

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1/28/84	$0.23		3 for 2
1/29/83	0.21	—	
1/30/82	0.17		
6/27/81	0.16		
6/28/80	0.15		

† Adjusted to reflect stock split

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1/28/84	$ 422,381,000	$ 15.97
1/29/83	321,327,000	18.20
1/30/82	187,746,000	12.90
6/27/81	169,459,000	11.66
6/28/80	147,169,000	10.35

‡ After allowing for preferred stock at par value
† Based on the weighted average number of common shares outstanding adjusted to reflect stock split

Income Account
(000's)

As of	1/28/84	1/29/83
Net sales	$ 2,081,328	$ 1,581,650
Cost of sales	1,531,299	1,192,314
Expenses	384,313	268,519
Depreciation & amortization	58,764	39,607
Interest expense	36,286	25,134
Income before taxes	$ 70,666	$ 56,076
Income taxes	33,579	27,256
Net Income	$ 37,087	$ 28,820

Assets
(000's)

As of	1/28/84	1/29/83
Cash	$ 62,933	$ 15,444
Accts. receiv., net	50,745	42,003
*Inventories	635,776	547,668
Prepaid expenses	11,318	6,990
Current Assets	$ 760,772	$ 612,105
Investments	172,803	180,395
#Fixed assets	267,394	252,156
Other assets	12,443	13,940
Total Assets	$ 1,213,412	$ 1,058,596

Liabilities
(000's)

Long-term debt, curr.	$ 5,408	$ 5,437
Cap. lease oblig., curr.	6,708	6,533
Accts. payable	359,411	306,975
Accruals	72,251	67,533
Income taxes	24,812	21,993
Curr. Liabilities	$ 468,590	$ 408,471
Long-term debt	132,667	133,093
Cap. lease oblig.	178,015	183,224
Deferred credits	11,391	12,113
+ Preferred Stock	368	368
+ + Common Stock	27,126	16,500
Add. paid-in capital	201,023	151,925
Retained earnings	194,232	162,952
Treasury stock		(10,050)
Total Liabilities & Shareholders' Equity	$ 1,213,412	$ 1,058,596

* At lower of cost (LIFO) or realizable market value
# Less accumulated depreciation and amortization
+ $10 par value, 6% cumulative, Series A
+ + $1 par value

Statistical Summary

%Income bef. Taxes to Sales	3.40	3.55
% Net Income to Sales	1.78	1.82
% Net Income to Equity	8.77	8.96
Sales to Inventories	3.27	2.89
Working Capital	$292,182,000	$203,634,000
Current Ratio	1.62	1.50
Shareholder's Equity	$422,749,000	$321,695,000

Big B, Inc.

201 Eighth Street
Birmingham, Alabama 35202
(205) 785-0335

Officers: Joseph Bruno, chairman of the board; Anthony J. Bruno, president; Arthur M. Jones, Sr., v.p.-finance, secretary & treasurer; Vincent J. Bruno, v.p.-merchandising & adv.; Bobby W. Little, v.p.-store operations; John F. Hight, Jr., v.p.-professional relations

Directors: Joseph Bruno, chairman, Anthony J. Bruno, Arthur M. Jones, Sr., Vincent J. Bruno, Isaac L. Alderman, Katherine M. McTyeire, Richard Cohn

Business Activities: Operates a chain of drug stores located in Florida, Alabama and Mississippi. Stores carry a broad range of health and beauty aids and general merchandise in addition to having pharmacies. Several units, known as B-Marts, are combination food and drug stores.

Transfer Agent(s):

First Alabama Bank
Birmingham, Alabama

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1985	114	1983	83
1984	99	1982	76

Sales and Earnings

	Net Sales	Net Income
1985	$ 148,067,000	$ 4,442,000
1984	116,988,000	3,471,000
1983	87,413,000	2,541,000
1982	70,109,000	2,011,000
1981	65,349,000	1,911,000

	No. of Com. Shares †	Earn. per Share #
1985	6,574,416	$ 0.68
1984	6,559,844	0.53
1983	6,553,828	0.39
1982	5,301,410	0.38
1981	4,814,100	0.40

† Adjusted to reflect stock split
# Based on the weighted average number of common shares outstanding adjusted to reflect stock split

Common Stock

1984	—	—	2 for-1

Common Stock Equity

	Total Equity	Equity Per Share †
1985	$ 30,194,000	$ 4.59
1984	25,534,000	3.89

1983	22,026,000	3.36
1982	19,485,000	3.68
1981	11,407,000	2.37

† Adjusted to reflect stock split.

Income Account
(000's)

Year ended	2/2/85	1/28/84
Net sales	$ 148,067	$ 116,988
Cost of sales	104,624	82,166
Expenses	34,340	27,759
Depreciation & amortization	1,083	815
Interest expense	153	161
Interest income	(125)	(114)
Income before taxes	$ 7,992	$ 6,201
Income taxes	3,550	2,730
Net Income	$ 4,442	$ 3,471

Assets
(000's)

As of	2/2/85	1/28/84
Cash & temp. cash invest.	$ 1,949	$ 2,276
Receivables, net	1,930	1,135
*Inventories	35,148	29,132
Prepaid expenses	815	550
Current Assets	$ 39,842	$ 33,093
#Fixed assets	17,321	8,513
Cash surrender value of life insur. policy	67	111
Total Assets	$ 57,230	$ 41,717

Liabilities
(000's)

Long-term debt & cap. lease oblig., curr.	$ 141	$ 128
Accts. payable	14,092	11,085
Accruals	2,194	2,373
Due to Bruno's	1,077	697
Curr. Liabilities	$ 17,504	$ 14,283
Long-term debt & cap. lease oblig.	7,946	1,179
Deferred comp.	131	101
Deferred gains	503	—
Deferred inc. taxes	952	620
+ Common stock	66	328
Add. paid-in capital	13,703	13,223
Retained earnings	16,425	11,983
Total Liabilities & Shareholders' Equity	$ 57,230	$ 41,717

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.40	5.30
%Net Income to Sales	3.00	2.97
%Net Income to Equity	14.71	13.59
Sales to Inventories	4.21	4.02
Working Capital	$22,338,000	$18,810,000
Current Ratio	2.28	2.32
Shareholders' Equity	$30,194,000	$25,534,000

Big V Supermarkets, Inc.

176 North Main Street
Florida, New York 10921
(914) 651-4411

Officers: William Rosenberg, chairman of the board; A. Richard Rosenberg, president and chief executive officer; Gary S. Koppele, v.p.-administration and treasurer; David G. Bronstein, exec. v.p. & chief operating officer; E.J. Fox, v.p.-industrial relations; Cornelius J.J. Madera, Jr., v.p.-real estate, secretary & general counsel; Richard Rantala, v.p.-merchandising; John W. Beisel, Jr., v.p.-operations; Frederic J. Klein, v.p.-loss prevention.

Directors: William Rosenberg, chairman; A. Richard Rosenberg, Robert T. Novak, Walter H. Weiner, Charles Bloom, I. Frederick Polakoff, Max McComb.

Business Activities: Operates Big V Supermarkets in New York and New Jersey.

Transfer Agent(s):

The Bank of New York
90 Washington Street
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: BIV

Number of Employees:

1984	32	1981	30
1983	31	1980	27
1982	31		

Sales and Earnings

	Net Sales	Net Income
1984	$ 542,808,153	$ 1,855,628
1983	525,764,394	5,511,843
1982	516,881,065	7,302,390
1981	456,448,244	6,439,915
1980	407,872,028	5,128,090

	No. of Com. Shares ‡	Earn. per Share ‡
1984	5,446,610	$ 0.34
1983	5,465,418	1.01
1982	5,492,167	1.33
1981	5,617,404	1.15
1980	5,510,814	0.93

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.40	—	—
1983	0.35	20%	—
1982	0.25	—	3-for-2
1981	0.19	20%	—
1980	0.14	20%	—

+ Adjusted to reflect stock dividends and stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 38,991,327	$ 7.16
1983	39,960,067	7.31
1982	36,362,715	6.62
1981	31,648,003	5.63
1980	26,124,886	4.74

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock split.

Income Account

Year ended	12/29/84	12/25/83
Net sales	$ 542,808,153	$ 525,764,394
Cost of sales	436,199,641	419,418,695
Expenses	96,052,176	89,061,664
Depreciation & amortization	6,561,809	5,840,428
Interest expense	1,830,899	1,296,764
Income before taxes	$ 2,163,628	$ 10,146,843
Income taxes	308,000	4,635,000
Net Income	$ 1,855,628	$ 5,511,843

Assets

As of	12/29/84	12/25/83
Cash	$ 6,394,241	$ 5,654,934
Cert. of deposit	5,371,824	2,213,860
*Inventories	17,666,038	15,024,035
Prepaid expenses	1,601,481	1,154,476
Refundable income taxes	1,350,000	—
Other receiv.	2,665,380	2,507,354
Current Assets	$ 35,048,964	$ 26,554,659
Investment	5,974,100	5,782,000
#Fixed assets	57,022,752	50,651,230
Other assets	1,297,059	621,480
Total Assets	$ 99,342,875	$ 83,609,369

Liabilities

Long-term debt, curr.	$ 1,594,709	$ 1,230,889
Cap. lease oblig., curr.	223,653	314,137
Accts. payable	23,966,117	16,435,243
Accruals	4,765,621	4,531,091
Curr. Liabilities	$ 30,550,100	$ 22,511,360
Long-term debt	24,535,976	16,019,908
Cap. lease oblig.	1,552,371	1,776,024
Deferred inc. taxes	3,713,101	3,342,010
+ Common stock	565,269	565,215
Add. paid-in capital	21,518,137	21,516,222
Retained earnings	18,795,752	19,120,157
Treasury stock	(1,887,831)	(1,241,527)
Total Liabilities & Shareholders' Equity	$ 99,342,875	$ 83,609,369

* At cost (LIFO & FIFO).
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.40	1.93
%Net Income to Sales	0.34	1.05
%Net Income to Equity	4.76	13.79
Sales to Inventories	30.73	34.99
Working Capital	$4,498,864	$4,043,299
Current Ratio	1.15	1.18
Shareholders' Equity	$38,991,327	$39,960,067

Borman's, Inc.

18718 Borman Avenue
Detroit, Michigan 48228
(313) 835-9500

Mailing address:
P.O. Box 446
Detroit, Michigan 48232

Officers: Paul Borman, president; Thomas V. Angott, exec. v.p.; Daniel J. Church, v.p.-finance & treasurer; Leonard Borman, secretary; James R. Smith, v.p.-personnel; Ray Rohr, controller; Ted J. Simon, v.p.-real estate.

Directors: Paul Borman, Sylvan Rapaport, Thomas V. Angott, Daniel J. Church, Leonard Borman, E.L. Koning, Grant C. Gentry, Ted J. Simon, Jack Levine.

Business Activities: Operates Farmer Jack supermarkets located in Detroit and environs, Food Fair, Mini-Mart convenience stores; also owns the Detroit Pure, a milk company, and the Wesley's Quaker Maid ice cream company.

Divisions and Subsidiaries:

Farmer Jack Supermarkets Division
Food Fair Mini-Marts

all at:

18718 Borman Avenue
Detroit, Michigan 48228

Mailing Address:
P.O. Box 446
Detroit, Michigan 48232

Detroit Pure Milk Co.
18940 Weaver
Detroit, Michigan 48228

Wesley Quaker Maid, Inc.
9700 Oakland
Detroit, Michigan 48211

Transfer Agent(s):

National Bank of Detroit
Detroit, Michigan

The Chase Manhattan Bank
New York, New York

Stock Exchange(s): New York

Ticker Symbol: BRF

Number of Stores: (at fiscal year end)

	Super-markets	Conven-ience Stores
1985	85	16
1984	85	15
1983	85	15
1982	84	15
1981	82	12

Sales and Earnings

	Net Sales +	Net Income ‡
1985	$ 1,025,920	$ (1,119,000)
1984	996,236,000	(10,915,000)
1983	1,000,888,000	7,419,000
1982	976,940,000	(3,462,000)
1981*	948,145,000	33,000

	No. of Com. Shares	Earn. per Share ‡ #
1985	2,800,729	$
1984	2,800,729	
1983	2,845,329	2.57
1982	2,919,929	
1981*	2,917,029	0.01

(Loss)
* 53 weeks
+ Of continuing operations only
‡ Including extraordinary gains of $2,500,000 ($0.87 per share) in 1983
# Based on the average number of shares outstanding

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 22,797,009	$ 8.14
1984	23,900,749	8.53
1983	35,304,221	12.41
1982	28,261,906	9.68
1981	32,006,389	10.97

Income Account *

Year ended	1/26/85	1/28/84
Net sales	$1,025,920,457	$ 996,236,428
Cost of sales	769,714,538	752,261,697
Expenses	254,427,391	252,087,059
Interest expense	766,045	607,977
Interest on oblig. under cap. leases	2,131,438	2,194,426
Net Loss	$ (1,118,955)	$ (10,914,731)

* Included in Costs and Expenses, Depreciation and Amortization: $6,846,668 in 1985 and $6,583,099 in 1984

Assets

As of	1/26/85	1/28/84
Cash	$ 6,752,440	$ 6,813,206
Receiv., net	14,284,772	13,521,170
*Inventories	47,483,409	48,703,469
Prepaid expenses	5,333,111	3,828,652
Current Assets	$ 73,853,732	$ 72,866,497
#Fixed assets	43,779,762	43,491,590
Defer. charges & other assets	3,936,995	4,075,182
Props. not in use	1,966,580	2,005,050
Prop. under cap. leases	16,853,214	18,000,625
Total Assets	$ 140,390,283	$ 140,438,944

Liabilities

Notes payable	$ 4,700,000	$ 3,500,000
Long-term debt, curr.	994,343	464,354
Accts. payable	41,278,572	44,097,888
Accruals	33,241,663	29,791,829
Oblig. under cap. leases, curr.	1,042,730	991,979
Curr. Liabilities	$ 81,257,308	$ 78,846,050
Long-term debt	5,386,720	6,381,064
Oblig. under cap. leases	20,368,366	21,301,766
Est. lease oblig.	1,582,000	1,992,000
Est. self-insurance	7,333,000	6,288,345
Other liab.	1,665,880	1,728,970
+ Common stock	3,013,942	3,011,267
Add. paid-in capital	7,937,207	7,924,667
Retained earnings	13,355,362	14,474,317
Treasury stock	(1,509,502)	(1,509,502)
Total Liabilities & Shareholders' Equity	$ 140,390,283	$ 140,438,944

* At lower of cost (LIFO; perishables at average cost) or market
# Less accumulated depreciation
+ $1 par value

Brown Group, Inc.

8400 Maryland Avenue
P.O. Box 29
St. Louis, Missouri 63166
(314) 854-4000

Officers: W. L. Hadley Griffin, chairman of the board; B. A. Bridgewater, Jr., president & chief executive officer; Louis Sabadie, v.p. real estate; Harry E. Rich, sr. v.p. & chief financial officer; Erik R. Risman, sr. v.p. specialty retailing; John B. Biggs, Jr., v.p. personnel & administration; Hiram S. Liggett, Jr., J. J. Cramer, v.p.s; Robert D. Pickle, secretary & general counsel; William S. Frederick, v.p. & controller; Andrew M. Rosen, treasurer

Directors: W. L. Hadley Griffin*, chairman; J. Carr Gamble, Jr.*, Stanley R. Miller, Edward L. O'Neill, Ben Peck*, Warren McK. Shapleigh*, Monte E. Shomaker, Richard W. Shomaker*, Armand C. Stalnaker*, B. A. Bridgewater, Jr.*, Daniel R. Toll, William E. Maritz

* Member of the Executive Committee

Business Activities: Manufactures, markets and retails a wide range of consumer products for women, men and children. Products manufactured include brand-name, nationally advertised women's, men's and children's footwear, play yard equipment, sidewalk bicycles and tricycles, juvenile furniture, toys and sporting goods and products for skiing, camping, sailing, shooting, and racquet sports. Also operates leased retail shoe departments in department stores and company-owned shoe stores, retail fabric stores and a chain of specialty apparel shops and family fashion stores.

Divisions:

Footwear

Brown Shoe Company
8300 Maryland Avenue
St. Louis, Missouri 63105
Manufactures and distributes footwear

Brown Shoe Co. of Canada, Ltd.
1857 Rogers Road
Perth, Ontario, Canada K7H 3E3
Manufactures and distributes footwear

Wohl Shoe Company
8350 Maryland Avenue
St. Louis, Missouri 63105
Operates leased shoe departments and shoe stores

Regal Shoe Shops
8400 Maryland Avenue
St. Louis, Missouri 63105
Operates leased shoe departments and shoe stores

Arnold Dunn, Inc.
Imports women's better grade footwear

Specialty Retailing

Cloth World
206 S. Western
Amarillo, Texas 79106
Operates retail fabric stores

Meis Family Fashion Stores
624 Wabash Avenue
Terre Haute, Indiana 47808
Operates family fashion stores

Linen Center
Stores featuring off-price branded merchandise for the bath and bedroom

Peck's Menswear Center
Retail shops selling off-price men's apparel

Recreational Products

Recreation Products Companies
Produces sportswear, bicycles, baby carriages, strollers, children's furniture, boating equipment, horseback riding accessories, hunting accessories

Metal-Wood-Plastic Division

Hedstrom Company
Bicycles, baby equipment, children's furniture, plastic goods

Vittert
Platform tennis balls

Outdoor Products Division

Kenyon
Boating instruments and specialty marine hardware

Redfield
Precision scopes, mounts and accessories

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Centerre Trust Company of St. Louis
510 Locust Street
St. Louis, Missouri 63101

Stock Exchange(s): New York, Midwest

Ticker Symbol: BG

Number of Stores: (at fiscal year end)

1984	2,278	1981	2,247
1983	2,987	1980	1,686
1982	2,531		

Sales and Earnings

	Net Sales +	Net Income
1984*	$1,571,660,000	$ 54,063,000
1983	1,500,504,000	67,199,000
1982	1,396,531,000	59,590,000
1981	1,337,779,000	55,120,000
1980	1,220,884,000	44,860,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984*	20,419,000	$ 2.65
1983	21,020,000	3.20
1982	21,464,000	2.78
1981	21,826,000	2.53
1980	21,915,000	2.05

* 53 weeks
+ Of continuing operations only
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1984	1983
Footwear	$ 1,127,544	$ 1,055,337
Specialty retailing	308,709	299,443
Recreational prods	135,407	145,724
Total	$ 1,571,660	$ 1,500,504

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$1.28	—	—
1983	1.04	—	2-for-1
1982	0.88	—	—
1981	0.75	—	3-for-2
1980	0.68	—	—

+ Adjusted to reflect stock splits

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 400,211,000	$ 19.60
1983	389,821,000	18.54
1982	364,457,000	16.97
1981	336,944,000	15.43
1980	300,778,000	13.72

+ Adjusted to reflect stock splits

Income Account *
(000's)

Year ended	11/3/84	10/29/83
Net sales	$ 1,571,660	$ 1,500,504
Cost of sales	945,601	887,145
Expenses	520,629	486,443
Interest expense	10,514	7,688
Sundry income	(4,111)	(2,859)
Income before taxes	$ 99,027	$ 122,087
Income taxes	44,964	54,888
Net Income	$ 54,063	$ 67,199

* Included in Costs and Expenses, Depreciation and Amortization: $25,414,000 in 1984 and $22,650,000 in 1983.

Assets
(000's)

As of	11/3/84	10/29/83
Cash & cash invest.	$ 4,157	$ 10,345
Accts. receiv., net	158,755	166,442
*Inventories	336,321	289,468
Prepaid exp. & other assets	21,488	22,198
Current Assets	$ 520,721	$ 488,453
#Fixed assets	155,681	142,489
Other assets	16,856	14,473
Total Assets	$ 693,258	$ 645,415

Liabilities
(000's)

Notes payable	$ 55,000	$ —
Long-term debt, curr.	1,350	1,791
Accts. payable	72,583	62,863
Accruals	33,383	37,355
Employee compensation & benefits	36,507	44,710
Income taxes	2,990	18,802
Curr. Liabilities	$ 201,813	$ 165,521
Long-term debt & cap. leases	68,515	73,772
Deferred compensation plans	14,658	8,725
Deferred inc. taxes	8,061	7,576
+ Common stock	75,748	77,695
Add. paid-in capital	19,217	18,621
Retained earnings	306,778	294,029
Cumulative trans. adjustment	(1,532)	(524)
Total Liabilities & Shareholders' Equity	$ 693,258	$ 645,415

* At lower cost (LIFO) or market
# Less accumulated depreciation and amortization
+ $3.75 par value

Statistical Summary

%Income bef. Taxes to Sales	6.30	8.13
%Net Income to Sales	3.44	4.47
%Net Income to Equity	13.51	17.23
Sales to Inventories	4.67	5.18
Working Capital	$318,908,000	$322,932,000
Current Ratio	2.58	2.95
Shareholders' Equity	$400,211,000	$389,821,000

Bruno's, Inc.

2620 West 13th Street
Birmingham, Alabama 35218
(205) 785-9400

Officers: Joseph Bruno, chairman of the board; Angelo J. Bruno, president; Lee J. Bruno, sr. v.p.-produce; Paul F. Garrison, exec. v.p.-Alabama Division; Glenn J. Griffin, v.p.-finance, secretary & treasurer; Paschal P. Vacca, v.p.-counsel; Ronald G. Bruno, president Alabama Division

Directors: Joseph Bruno, Angelo J. Bruno, Lee J. Bruno, James C. Baldone, Paul F. Garrison, Richard Cohn, Paschal P. Vacca, Ronald G. Bruno, Judy M. Merritt

Business Activities: Operates supermarkets under the names "Consumer Warehouse Foods," "Bruno's Food Store" and "Food World," principally in Alabama

Transfer Agent(s):

Am South Bank
P.O. Box 11426
Birmingham, Alabama 35202

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BRNO (NASDAQ)

Number of Stores: (at fiscal year end)

1984	78	1981	69
1983	68	1980	58
1982	72		

Sales and Earnings

	Net Sales +	Net Income
1984	$ 715,761,000	$ 18,845,000
1983	605,156,000	15,153,000
1982	549,297,000	12,392,000
1981	488,294,000	10,968,000
1980	404,855,000	8,618,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	17,801,126	$ 1.06
1983	16,859,439	0.90
1982	16,479,078	0.75
1981	16,979,490	0.54
1980	16,949,028	0.42

+ Of continuing operations only
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$0.24	—	—
1983	0.20	—	2-for-1
1982	0.1575	—	—
1981	0.15	—	2-for-1
1980	0.11875	—	—

‡ Adjusted to reflect stock splits

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 84,101,000	$ 4.72
1983	69,469,000	4.12
1982	40,818,000	2.47
1981	31,041,000	1.82
1980	34,042,000	2.00

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits

Income Account

Year ended	6/30/84	7/2/83
Net sales	$ 715,761,000	$ 605,156,000
Cost of sales	573,537,000	484,432,000
Expenses	103,224,000	88,304,000
Depreciation & amortization	7,421,000	6,331,000
Interest expense	1,598,000	1,714,000
Interest income	(3,514,000)	(2,711,000)
Income before taxes	$ 33,495,000	$ 27,086,000
Income taxes	14,650,000	11,933,000
Net Income	$ 18,845,000	$ 15,153,000

Assets

As of	6/30/84	7/2/83
Cash & temp. cash invest.	$ 38,548,000	$ 39,306,000
Accts. receiv., net	2,447,000	2,236,000
*Inventories	35,572,000	29,439,000
Prepaid expenses	2,435,000	1,981,000
Current Assets	$ 79,002,000	$ 72,962,000
#Fixed assets	78,849,000	60,236,000
Other assets & defer. charges	1,266,000	1,035,000
Total Assets	$ 159,117,000	$ 134,233,000

Liabilities

Long-term debt & cap. lease oblig., curr.	$ 1,552,000	$ 1,468,000
Accts. payable	40,385,000	32,645,000
Income taxes	2,391,000	2,074,000
Accruals	9,051,000	7,766,000
Curr. Liabilities	$ 53,379,000	$ 43,962,000
Long-term debt	6,988,000	7,695,000
Cap. lease oblig.	7,371,000	7,932,000
Deferred compensation	3,145,000	2,956,000
Deferred inc. taxes	4,133,000	2,219,000
+ Common stock	460,000	460,000
Add. paid-in capital	20,470,000	20,411,000
Retained earnings	64,820,000	50,247,000
Treasury stock	(1,649,000)	(1,649,000)
Total Liabilities & Shareholders' Equity	$ 159,117,000	$ 134,233,000

* At LIFO cost, which is not in excess of market
# Less accumulated depreciation
+ $0.05 par value

Statistical Summary

%Income bef. Taxes to Sales	4.68	4.47
%Net Income to Sales	2.63	2.50
%Net Income to Equity	22.41	21.81
Sales to Inventories	20.12	20.55
Working Capital	$25,623,000	$29,000,000
Current Ratio	1.48	1.65
Shareholders' Equity	$84,101,000	$69,469,000

Buning International, Inc.

801 S W 20th Way
Fort Lauderdale, Florida 33312
(305) 463-7660

Officers: Arthur O Stone, chairman; Edward P Thal, president & chief exec officer; Shirley Stone, secretary; Harold A Greene, asst secretary

Directors: Arthur O Stone, Shirley Stone, Harold A Greene, Edward P Thal, Richard A Demarest

Business Activities: Operates a chain of company-owned and franchise retail florist shops located in Florida and New York

Divisions and Subsidiaries:

Buning the Florist Inc
Fort Lauderdale, Florida
(305) 463-7660

Hodge Florists, Inc
Buffalo, New York
(716) 856-9000

Transfer Agent(s):

Southeast Banks Trust Company, N A
100 South Biscayne Boulevard
Miami, Florida 33131

Stock Exchange(s): Over-the-Counter

Number of Stores: *(at fiscal year end)

1983	29	1980	26
1982	27	1979	27
1981	26		

* Includes franchise stores

Sales and Earnings

	Net Sales +	Net Income †
1983	$ 3,210,819	$ 204,758
1982	2,890,119	- 157,289
1981	2,789,154	32,804
1980	2,364,926	(82,795)
1979	2,361,554	897,666

	No of Com Shares ‡	Earn per Share ‡†
1983	270,328	$ 0 76
1982	270,328	0 58
1981	269,114	0 12
1980	269,114	—
1979	269,114	0 31

(Loss)
+ Of continuing operations only
† Including extraordinary gains of $56,200 ($0 21 per share) in 1983, $22,428 ($0 08 per share) in 1981 and $271,500 ($1 00 per share) in 1979
‡ Based on the average number of shares outstanding

Common Stock Equity

	Total Equity	Equity Per Share ‡
1983	$ 481,084	$ 1 78
1982	276,326	1 02
1981	119,037	0 44
1980	86,233	0 32
1979	169,028	0 63

‡ Based on the average number of shares outstanding

Income Account *

Year ended June 30	1983	1982
Net sales	$ 3,210,819	$ 2,890,119
Cost of sales	1,166,509	1,007,686
Serv income	(517,328)	(460,466)
Direct costs	1,396,385	1,227,967
Other rev	(419,986)	(392,479)
Expenses	1,441,100	1,480,675
Prov for doubtful accts	21,988	2,567
Interest expense	101,932	123,739
Gain from sale of prop	(192,539)	—
Income (loss) before taxes	$ 212,758	$ (99,570)
Income taxes	64,200	—
Income (loss) from cont oper	$ 148,558	$ (99,570)
Inc from discont oper	—	256,859
Net Income	$ 148,558	$ 157,289
Extraord gain	56,200	—
Net Income & Extraord Gain	$ 204,758	$ 157,289

* Included in Costs and Expenses, Depreciation $100,607 in 1983 and $123,065 in 1982

Assets

As of June 30	1983	1982
Cash	$ 150,196	$ 46,398
Acct & notes receiv	208,773	230,557
*Inventories	113,468	111,500
Current Assets	$ 472,437	$ 388,455
#Fixed assets	673,048	876,547
Other assets	546,395	562,670
Total Assets	$ 1,691,880	$ 1,827,672

Liabilities

	1983	1982
Notes payable	$ 12,700	$ 1,751
Long-term debt curr	106,223	89,843
Accts payable	424,609	494,537
Accrued expenses & other liabilities	115,331	144,538
Curr Liabilities	$ 658,863	$ 730,669
Long-term debt	443,658	717,302
Security deposits	24,175	24,175
Deferred income	34,100	37,200
Deferred inc taxes	50,000	42,000
+ Common stock	27,033	27,033
Add paid-in capital	709,062	709,062
Accumulated deficit	(252,011)	(456,769)
Treasury stock	(3,000)	(3,000)
Total Liabilities & Shareholders' Equity	$ 1,691,880	$ 1,827,672

* At lower of cost (FIFO) or market
# Less accumulated depreciation
+ $0 10 par value

Statistical Summary

	1983	1982
%Net Income to Equity	30 88	56 92
Sales to Inventories	28 30	25 92
Shareholders' Equity	$481,084	$276,326

Canada Safeway Limited

313 Pacific Avenue
Winnipeg, Manitoba, Canada
(204) 943-7371

Officers: Robert H Kinnie, president and chief executive officer; A R Paton, v p and treasurer; N D Fingler, R F Hendy, Richard H Parkyn, vice presidents; John Pope, v p -Winnipeg; Donald M Monk, v p -Vancouver; Bruce S Nicoll, v p -Calgary; Henry R Rempel, v p -Edmonton; R J Hansell, secretary

Directors: N D Fingler, R J Hansell, R F Hendy, D E Jones, R H Kinnie, R H Parkyn, John Pope, Bruce S Nicoll, Henry R Rempel

Business Activities: Operates a chain of 304 supermarkets in Canada and 29 in West Germany

Subsidiaries:

Lucerne Foods Ltd
Macdonalds Consolidated Limited
Express Foods Ltd
Safeway Supermarket GmbH (West Germany)
Canada Safeway International Finance Corp
(United States)

Transfer Agent(s):

The Royal Trust Company
Winnipeg, Montreal, Toronto, Vancouver and Calgary, Canada

Stock Exchange(s): Toronto, Montreal

Ticker Symbol: CNS

Number of Stores: (at fiscal year end)

1984	326	1981	315
1983	331	1980	308
1982	322		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 3,547,449	$ 66,219
1983 +	3,437,683	77,353
1982	3,300,252	68,539
1981	3,006,302	72,582
1980*	2,711,889	66,473

	No of Com Shares	Earn per Share
1984	280,000	$ 236 28
1983 +	280,000	276 03
1982	280,000	244 54
1981	280,000	258 95
1980*	280,000	237 11

* 53 weeks
+ Restated to reflect change in accounting for translation of foreign currencies

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 681,847,000	$ 2,435 17
1983 +	638,898,000	2,281 78
1982	590,764,000	2,109 87
1981	547,894,000	1,956 76
1980	475,387,000	1,697 81

+ Restated
‡ After allowing for preferred stock at par value

Income Account *
(000's)

Year ended	12/29/84	12/31/83‡
Net sales	$ 3,547,449	$ 3,437,683
Cost of sales	2,779,815	2,683,764
Expenses	664,421	630,372
Interest expense	31,917	29,714
Interest income	(22,817)	(20,718)
Eq in earn of affil	(3,939)	(4,401)
Div from affil co	(6,913)	(6,488)
Other income	(297)	(259)
Income before taxes	$ 105,262	$ 125,699
Income taxes	39,043	48,346
Net Income	$ 66,219	$ 77,353

* Included in Costs and Expenses, Depreciation and Amortization: $52,535,000 in 1984 and $44,993,000 in 1983
‡ Restated

Assets
(000's)

As of	12/29/84	12/31/83‡
Cash	$ 24,212	$ 46,150
Notes receivable	24,252	24,762
Receivables	25,129	21,748
*Inventories	367,011	344,537
Prepaid expenses	6,615	7,243
Current Assets	$ 447,219	$ 444,440
#Fixed assets	466,325	416,341
Notes receiv	114,723	109,420
Investment	99,852	98,226
Other assets	4,300	3,737
Total Assets	$ 1,132,419	$ 1,072,164

Liabilities
(000's)

Bank overdraft	$ 21,457	$ 21,464
Cap. lease oblig.. curr	4,142	4,301
Accts. payable & accruals	180,611	170,346
Income taxes	1,539	2,730
Due to affil. cos	8,519	14,393
Curr. Liabilities	$ 216,268	$ 213,234
Long-term notes pay.	52,813	53,120
Notes payable	99,455	92,886
Cap. lease oblig	75,104	64,331
Deferred inc. taxes	5,523	8,252
+ Preferred stock	1,409	1,443
+ + Common stock	2,800	2,800
Cum. trans. adjust	(862)	(354)
Retained earnings	679,909	636,452
Total Liabilities & Shareholders' Equity	$ 1,132,419	$ 1,072,164

‡ Restated
* At lower of cost or replacement value, determined by the FIFO and retail inventory methods
# Less accumulated depreciation and amortization
+ $100 par value, 4.4% cumulative
+ + $10 par value

Statistical Summary

%Income bef. Taxes to Sales	2.97	3.66
%Net Income to Sales	1.87	2.25
%Net Income to Equity	9.69	12.08
Sales to Inventories	9.67	9.98
Working Capital	$230,951,000	$231,206,000
Current Ratio	2.07	2.08
Shareholders' Equity	$683,256,000	$640,341,000

Canadian Tire Corporation, Limited

2180 Yonge Street
P.O. Box 770, Station K
Toronto,, Ontario M4P 2V8
(416) 484-3000

Officers: H.L. Macaulay, chairman of the board; J.D. Muncaster, president & chief executive officer; S.J. Bochen, v.p.-distribution; B. Setnor, v.p.-marketing; P.B. Edmonson, exec. v.p.; J.A. Gabriel, corp. controller; D.A. Hicks, v.p.-real estate & construction; W.H. Hicks, v.p.-personnel; J.W. Kron, exec. v.p. & pres.-White stores; R. Law, secr. and general counsel; A.B. Malcolm, v.p.-petroleum marketing; W.A. Moffatt, pres.-Cantire Products Ltd.; F.Y. Sasaki, v.p.-finance and treasurer; V.H. Mikkelsen, v.p.-management information services; B.R. Wilson, president-Canadian Tire Acceptance Limited; P.B. Edmonson, exec. v.p.; C.D. Smith, asst. treasurer

Directors: J.W. Kron, M. Gardiner-Billes, A.W. Billes, D.G. Billes, J.D. Muncaster, A.H.D. Crooks, Pierre Cote, Hugh L. Macualay, Derwyn Phillips, Jean E. Pigott, Selby J. Sinclair, William M. Sobey, Bruce A. Sully

Business Activities: Operates gas stations and tire and auto accessory retail outlets in Canada

Divisions and Subsidiaries:

Canadian Tire Acceptance Limited
176 King Street
Welland, Ontario L3B 5S3

Cantire Products Limited
35 Fieldway Road
Toronto, Ontario M8Z 3L4

White Stores, Inc.
Wichita Falls, Texas

Operates retail automotive parts and accessories stores, principally in Texas and through its dealer division includes 400 dealer-owned stores in the Southwestern United States

Cantire (Far East) Limited

Transfer Agent(s):
Montreal Trust Company of Canada
Toronto, Halifax, Vancouver, Montreal and Calgary

Stock Exchange(s): Montreal, Toronto

Ticker Symbol: CTR

Number of Stores: (at fiscal year end)

	Associate Stores	Gasoline Stations
1984	384	109
1983	375	99
1982	365	91
1981*	348	76
1980	333	64

* Excluding White Stores, Inc.

Sales and Earnings
(000's)

	Gross Operating Revenues	Net Income ‡
1984	$ 2,108,594	$ 28,672
1983	1,903,378	49,395
1982	1,788,835	58,640
1981	1,340,764	53,678
1980*	1,057,536	38,628

	No. of Com. Shares #	Earn. per Share ‡#
1984	80,928,991	$ 0.35
1983	74,648,562	0.66
1982	72,341,745	0.81
1981	69,891,228	0.77
1980*	67,631,691	0.57

‡ Including extraordinary gains of $668,000 in 1984, $1,595,000 ($0.02 per share) in 1983, $1,973,000 ($0.03 per share) in 1982, $2,212,000 ($0.03 per share) in 1981 and $901,000 ($0.01 per share) in 1980
# Based on the weighted average number of class A and common shares outstanding adjusted to reflect stock dividend and stock split

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1984	$0.20	—	—
1983	0.20	—	5-for-1
1982	0.17	10%	—
1981	0.14	—	—
1980	0.13	—	—

# Adjusted to reflect stock dividend and stock split

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 599,472,000	$ 7.41
1983	555,861,000	6.99
1982	448,133,000	6.14
1981	386,872,000	5.46
1980	328,964,000	4.82

‡ Adjusted to reflect stock dividend and stock split

Income Account
(000's)

Year ended Dec. 31	1984	1983
Gross oper. rev.	$ 2,108,594	$ 1,903,378
Cost of sales & expenses	1,957,147	1,724,704
Depreciation & amortization	28,397	25,174
Prof. sh. plan	10,187	10,448
Interest expense	44,837	44,684
Other income	(19,455)	(10,188)
Income before taxes	$ 87,481	$ 108,556
Income taxes	59,477	60,756
Net Income	$ 28,004	$ 47,800
Extraord. gain	668	1,595
Net Income & extraord. gain	$ 28,672	$ 49,395

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 5,240	$ 5,006
Accts. & loans receiv., net	166,615	157,409
*Inventories	361,252	344,942
Acceptance company	221,240	199,299
Due to White Credit Inc.	7,064	7,682
Current Assets	$ 761,411	$ 714,338
Investments	61,330	43,501
#Fixed assets	406,076	394,624
Other assets	4,918	1,354
Total Assets	$ 1,233,735	$ 1,153,817

Liabilities
(000's)

Bank indebtedness	$ 23,729	$ 6,243
Loans payable	2,564	3,475
Mortg. payable	6,100	3,685
Accts. payable	165,365	157,775
Dividends payable	4,136	—
Accruals	98,236	86,486
Inc. taxes payable	7,084	6,382
Acceptance company	103,308	104,428
Due to White Credit, Inc.	—	11,128
Curr. Liabilities	$ 410,522	$ 379,602
Long-term debt	218,947	211,596
Deferred inc. taxes	4,794	6,758
+ Class A Non-voting Shares	201,583	175,898
+ Common Shares	179	179
For. curr. trans. adj.	11,111	1,543
Retained earnings	386,599	378,241
Total Liabilities & Shareholders' Equity	$ 1,233,735	$ 1,153,817

* At lower of cost (FIFO) or estimated net realizable value, less normal profit market
# Less accumulated depreciation and amortization
+ No par value

Statistical Summary

%Income bef. Taxes to Gross Oper. Rev	4.15	5.70
%Net Income to Gross Oper. Rev	1.33	2.51
%Net Income to Equity	4.67	8.60
Working Capital	$350,889,000	$334,736,000
Current Ratio	1.85	1.88
Shareholders' Equity	$599,472,000	$555,861,000

Carlyle & Co. Jewelers

(formerly Jewel Box Stores Corporation)

201 North Elm
Wachovia Building
Greensboro, North Carolina 27401
(919) 379-9437

Officers: Lawrence M. Cohen, chairman of the board, president & chief executive officer; Hargrove Bowles, Jr., vice chairman of the board; Martin M. Bernstein, exec. v.p.-corp. devel.; Richard I. Backer, exec. v.p.-store operations; Russell L. Cohen, v.p.-marketing; Randy L. Zentmire, v.p.-finance, treasurer & chief financial officer; George E. Norman, Jr., v.p.; Louis Green, v.p. & secretary; Ann I. Cranford, asst.

v p -store operations, Reuben E Mercer, asst v p -credit & collections, William E Thunberg, Sr , v p -regional vice president, John K Cohen, v p ; Sidney J Stern, Jr , Sidney J Stern, III, asst secretaries

Directors: Richard I Backer*, Martin M Bernstein*, Hargrove Bowles, Jr *, Lawrence M Cohen*, Louis Green, George E Norman, Jr *, Russell L Cohen, John K Cohen, Robert O Klepfer

* Member of the Executive Committee

Business Activities: Operates jewelry stores in the East and Texas

Transfer Agent(s):

First Citizens Bank
Raleigh, North Carolina

Number of Stores: (at fiscal year end)

1985	N A	1982	95
1984	82	1981	90
1983	93		

N A -Not Available

Sales and Earnings

	Net Sales	Net Income
1985	$ 51,987,000	$ 1,452,000
1984	46,261,000	655,000
1983	37,767,000	(505,000)
1982	37,080,000	(118,000)
1981	31,319,000	(466,000)

	No of Com Shares	Earn per Share #
1985	1,392,000	$ 1 04
1984	1,392,000	0 47
1983	1,392,000	—
1982	1,392,000	—
1981	1,392,000	—

(Loss)
Based on the weighted average number of shares outstanding

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 12,583,000	$ 9 04
1984	11,131,000	8 00
1983	10,476,000	7 53
1982	10,981,000	7 89
1981	11,099,000	7 97

Income Account *

Year ended March 31	1985	1984
Net sales	$ 51,987,208	$ 46,261,277
Cost of sales	30,042,749	27,727,038
Expenses	18,648,118	16,817,942
Interest expense	547,397	674,032
Other income	(121,240)	(106,410)
Income bef taxes	$ 2,870,184	$ 1,148,675
Income taxes	1,418,000	494,000
Net Income	$ 1,452,184	$ 654,675

* Included in Costs and Expenses, Depreciation and Amortization $672,054 in 1985 and $773,847 in 1984

Assets

As of March 31	1985	1984
Cash	$ 1,183,788	$ 639,621
Accts & notes receiv., net	10,421,369	9,115,669
*Inventories	9,123,499	9,770,719
Prepaid expenses	226,349	210,809
Current Assets	$ 20,955,005	$ 19,736,818
#Fixed assets	2,636,236	3,153,408
Other assets	129,542	132,870
Total Assets	$ 23,720,783	$ 23,023,096

Liabilities

Notes payable	$ —	$ 1,500,000
Long-term debt, curr	435,000	435,000
Accts payable	2,799,703	3,389,394
Accruals	1,391,689	1,016,915
Accrued payroll	1,315,026	1,293,001
Deferred income taxes	1,718,000	449,000
Income taxes	153,174	48,779
Curr Liabilities	$ 7,812,592	$ 8,132,089
Long-term debt	3,325,000	3,760,000
+ Common stock:		
Class A	187,868	187,868
Class B	1,203,675	1,203,675
Add paid-in capital	2,001,131	2,001,131
Retained earnings	9,190,517	7,738,333
Total Liabilities & Shareholders' Equity	$ 23,720,783	$ 23,023,096

* At lower of cost (LIFO) or market
# Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

%Income bef Taxes to Sales	5 52	2 48
%Net Income to Sales	2 79	1 42
%Net Income to Equity	11 54	5 88
Sales to Inventories	5 70	4 73
Working Capital	$13,142,413	$11,604,729
Current Ratio	2 68	2 43
Shareholders' Equity	$12,583,191	$11,131,007

Carson Pirie Scott & Company

One South State Street
Chicago, Illinois 60603
(312) 245-8000

Officers: Peter S Willmott, chairman & chief executive officer, Robert P Bryant, vice chairman, Daniel M Fort, v p -administration & secretary, Charles T Reice, v p -finance & treasurer, Robert F Doak, v p -corp controller, H Lynn Hazlett, v p -information services, Dennis S Bookshester, chairman-department stores division, Bruce Rismiller, v p -human resources, Kurt Gasser, president-Carson International, Inc ; Fred J Martin, exec v p -contract food service operations-Dobbs Houses, Inc ; Dean B McKinney, president-Wholesale Floor Covering Distribution Division, Neil A Ramo, president-department stores division, Eugene J Sullivan, sr v p -terminal & restaurant operations-Dobbs House, Inc

Directors: Gregson L Barker*, Robert L Scott, III, Benjamin D Williams, III, John C Archibald, John E Cotter, William C Musham, Harold R Spurway*, J Scott Welles, John Dern, Jr , Carroll E Ebert*, Peter S Willmott*, Dennis S Bookshester, Robert P Bryant*

* Member of the Executive Committee

Business Activities: Operates department stores in the Chicago metropolitan area, downstate Illinois and western Indiana The wholesale floor covering division is a distributor of carpeting and hard surface floor coverings The leisuretime group includes a range of lodging, food service and resort operations

Divisions:

Retail Group
Wholesale Floor Covering Group
Food Spruce & Lodging Group

All located at
One South State Street
Chicago, Illinois 60603
(312) 744-5327

Subsidiaries:

Carson International Inc
(312) 686-6182

Carson Pirie Scott Insurance Services, Inc
(312) 744-2008

CPS Credit Corporation
(312) 744-5327

CPS Whole Floor Covering Inc

CPS Direct Marketing Inc

CPS Hotel Management Inc

County Seat Stores, Inc

Dobbs International Services Inc

All located at
One South State Street
Chicago, Illinois 60603

Dobbs Houses, Inc
Operating airline catering kitchens, airport terminal concessions and specialty restaurants under the names of Steak 'n Egg Kitchen and Toddle House

Transfer Agent(s):

The First National Bank of Chicago
Shareholder Services Department
One First National Plaza
Chicago, Illinois 60670

Stock Exchange(s): New York, Midwest

Ticker Symbol: CRN

Number of Stores*:(at fiscal year end)

1984	21	1981	25
1983	24	1980	26
1982	24		

* Department stores only

Sales and Earnings

	Net Sales †	Net Income
1985	$1,177,208,000	$ 27,174,000
1984	877,263,000	15,383,000
1983	797,624,000	11,356,000
1982	769,716,000	14,497,000
1981	582,083,000	11,992,000

	No of Com Shares #	Earn per Share #
1985	4,337,000	$ 5 56
1984	4,364,000	3 19
1983	4,074,000	2 25
1982	3,821,000	3 51
1981	3,482,000	3 44

† Includes leased departments
# Based on the weighted average number of shares outstanding

Revenues By Line of Business

	1985 (000's)	1984 (000's)
Retail	$ 593,800	$ 342,982
Floor covering distribution	146,300	124,643
Food service & lodging	437,100	409,638
Total	$ 1,177,200	$ 877,263

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$1 20	—	—
1984	1 20	—	—
1983	1 20	—	—
1982	1 20	—	—
1981	1 175	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 194,672,000	$ 39 63
1984	171,792,000	35 36
1983	137,594,000	33 59
1982	132,683,000	32 72
1981	114,325,000	32 65

Carson Pirie Scott & Company

Income Account *

Year ended	2/2/85	1/28/84
Net sales	$1,177,208,000	$ 877,263,000
Cost of sales *	897,136,000	714,430,000
Expenses	241,515,000	135,102,000
Interest expense	23,050,000	12,689,000
Other income	(16,136,000)	(12,841,000)
Unusual item	(12,731,000)	1,300,000
Income before taxes	$ 44,374,000	$ 26,583,000
Income taxes	17,200,000	11,200,000
Net Income	$ 27,174,000	$ 15,383,000

* Included in Costs and Expenses, Depreciation and Amortization: $32,202,000 in 1985 and $25,945,000 in 1984

Assets

As of	2/2/85	1/28/84
Cash	$ 5,208,000	$ 5,882,000
Receiv., net	142,014,000	118,363,000
*Inventories	125,768,000	66,121,000
Prepaid expenses	10,650,000	3,115,000
Current Assets	$ 283,640,000	$ 193,481,000
#Fixed assets	244,037,000	219,164,000
Investments & other assets	27,086,000	25,808,000
Intangibles	24,605,000	—
Total Assets	$ 579,368,000	$ 438,453,000

Liabilities

Notes payable	$ 717,000	$ 4,258,000
Long-term debt, curr.	4,352,000	10,247,000
Accts. payable	58,835,000	40,904,000
Accruals	58,355,000	44,812,000
Income taxes	12,200,000	2,050,000
Deferred inc. taxes	20,200,000	13,000,000
Curr. Liabilities	$ 154,659,000	$ 115,271,000
Long-term debt	202,852,000	132,899,000
Deferred inc. taxes	12,200,000	12,650,000
Other liab.	14,985,000	5,841,000
+ Common stock	25,075,000	25,075,000
Add. paid-in capital	39,226,000	38,412,000
For. curr. trans. adjust.	(978,000)	(1,102,000)
Retained earnings	133,213,000	111,918,000
Treasury stock	(1,864,000)	(2,511,000)
Total Liabilities & Shareholders' Equity	$ 579,368,000	$ 438,453,000

* Retail inventories at LIFO cost or retail method; other inventories at lower of cost (FIFO) or market
# Less accumulated depreciation and amortization
+ $5 par value

Statistical Summary

%Income bef. Taxes to Sales	3.77	3.03
%Net Income to Sales	2.31	1.75
%Net Income to Equity	13.96	8.95
Sales to Inventories	9.36	13.27
Working Capital	$128,981,000	$78,210,000
Current Ratio	1.83	1.68
Shareholders' Equity	$194,672,000	$171,792,000

Carter Hawley Hale Stores, Inc.

550 South Flower Street
Los Angeles, California 90071
(213) 620-0150

Officers: Waldo H. Burnside, president & chief operating officer; Philip M. Hawley, chairman of the board & chief executive officer; J. Hart Lyon, Arthur L. Crowe, exec. vice presidents; John M. Gailys, exec. v.p. and chief financial officer; Edward S. Waterbury, sr. v.p.; Paul E. Chevalier, E. John Caldecott, Philip B. Sobel, Matthew J. Guglielmo, E. Harlin Smith, Arthur G. Coons, Robert J. Gilmartin, Donald G. Livingston, J. Scott Meyer, D. Clair Brumbaugh, Brian L. Fleming, Richard P. Hauser, Harry Levitt, Larry Peterson, Francis T. Phalen, Dale G. Thune, Walter W. Tuthill, v.p.'s; John F. Busey, treasurer; James L. Vandeberg, secretary and corporate counsel; Jerome F. Lipp, president, Carter Hawley Hale Properties, Inc.

Directors: Norman Barker, Jr.*, Edward W. Carter*, Prentis C. Hale, Philip M. Hawley*, Walter B. Gerken*, John T. Dorrance, Jr., William B. Thalhimer, Jr.*, Benjamin F. Biaggini, Walter J. Salmon, Donn B. Miller*, Robert O. Anderson, Arthur L. Crowe, Harold J. Haynes, Jean Head Sisco, Waldo H. Burnside*, William L. Brown, Samuel Frankenheim, J. Atwood Ives, Herbert W. Jarvis, Richard A. Smith, Robert J. Tarr, Jr.

* Member of the Executive Committee

Business Activities: The Company is engaged primarily in the department store business. It operates general department stores under the names The Broadway-Southern California, The Broadway-Southwest, Emporium Capwell, and Weinstock's in California, Arizona, New Mexico, Utah, and Nevada; Thalhimers, 25 department stores in Southwest Virginia and North Carolina; John Wanamaker, 16 department stores in the greater Philadelphia area, and 19 Neiman-Marcus specialty department stores in Texas, Florida, Illinois, California, Nevada, New Mexico, Utah, New York, Washington, D.C., Missouri and Georgia. Also operates Bergdorf Goodman, a specialty store in New York City and 17 specialty stores under the Holt, Renfrew name in Canada. The Company also operates Contempo Casuals, 71 women's sportswear mall shops in California; and Waldenbooks, a nationwide retailer of books.

Divisions and Subsidiaries:

The Broadway-Southern California
3880 North Mission Road
Los Angeles, California 90031
(213) 227-2000

The Broadway-Southwest
4000 Fiesta Mall
Mesa, Arizona 85202
(602) 263-7000

Neiman-Marcus Company
Main & Ervay
Dallas, Texas 75201
(214) 741-6911

Weinstock's
Downtown Plaza
Sacramento, California 95813
(916) 449-8888

Emporium Capwell
835 Market Street
San Francisco, California 94103
(415) 764-2222

Thalhimers
615 East Broad Street
Richmond, Virginia 23261
(804) 643-4211

John Wanamaker
1300 Market Street
Philadelphia, Pennsylvania 19101
(215) 422-4000

Bergdorf Goodman Company
754 Fifth Avenue
New York, New York 10019
(212) 753-7300

Holt, Renfrew
1300 Sherbrooke Street West
Montreal, Quebec, Canada H36 1H9
(514) 842-5111

Contempo Casuals
Los Angeles, California

Transfer Agent(s):

Security Pacific National Bank
Corporate Services Division, 2-70
P.O. Box 60228, Terminal Annex
Los Angeles, California 90060

Stock Exchange(s): New York, Pacific, London

Ticker Symbol: CHH

Number of Stores: (at fiscal year end)

	Dept. Stores	Book Stores	Specialty Stores
1985	125	—	143
1984	249	845	—
1983	232	802	—
1982	213	748	—
1981	197	658	—

Sales and Earnings
(000's)

	Net Sales	Net Income
1984*	$ 3,724,294	$ 89,670
1983	3,101,682	67,485
1982	2,590,650	49,025
1981	2,485,697	44,762
1980	2,313,960	57,341

	No. of Com. Shares	Earn. per Share #
1984*	19,067,000	$ 2.75
1983	35,341,000	1.93
1982	31,890,000	1.55
1981	28,920,000	1.55
1980	26,540,000	2.08

* 53 Weeks
# Based on the weighted average number of common shares outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.22	—	—
1983	1.22	—	—
1982	1.22	—	—
1981	1.22	—	—
1980	1.16	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 348,166,000	$ 18.26
1983	751,599,000‡	21.27
1982	656,437,000‡	20.58
1981	606,453,000‡	20.97
1980	549,007,000‡	20.69

‡ After allowing for preferred stock at involuntary liquidation preference value of $45 per share

Income Account *
(000's)

Year Ended	2/2/85	1/28/84
Net sales	$ 3,724,294	$ 3,101,682
Cost of sales	2,702,055	2,240,404
Expenses	862,272	706,368
Interest expense	117,237	92,345
Cost of tender offer	7,100	—
Gains on sale of joint venture	—	(12,768)
Gain on retire of deben.	—	(4,252)
Income before taxes	$ 35,630	$ 79,585
Income taxes	8,500	24,200
Inc.-cont. oper.	$ 27,130	$ 55,385
Inc.-discont. oper.	62,540	12,100
Net Income	$ 89,670	$ 67,485

* Included in Costs and Expenses, Depreciation and Amortization: $72,278,000 in 1984 and $65,796,000 in 1983

Assets
(000's)

As of	2/2/85	1/28/84
Cash	$ 22,727	$ 12,902
Accts. receiv., net	125,524	156,307
*Inventories	717,300	579,944
Other curr. assets	39,487	35,318
Current Assets	$ 905,038	$ 784,471

Investments	143,864	157,406
#Fixed assets	823,569	795,566
Assets of Waldenbooks	—	169,168
Other assets	74,735	55,083
Total Assets	$ 1,947,206	$ 1,961,694

Liabilities
(000's)

Long-term debt & cap lease oblig., curr	$ 50,370	$ 10,478
Accts. payable & accruals	300,028	375,513
Dividends payable	5,983	11,134
Income taxes	16,933	8,283
Deferred inc. taxes	99,648	108,525
Curr. Liabilities	$ 592,962	$ 513,933
Long-term debt	396,654	358,268
Cap. lease oblig.	152,006	158,075
Other liab.	55,922	55,611
Def. inc. taxes	101,496	92,274
Redeem. pref. stock	300,000	—
+ Preferred stock	—	3,548
+ + Common stock	95,334	176,703
Add. paid-in capital	140,358	263,796
Retained earnings	112,474	339,486
Total Liabilities & Shareholders' Equity	$ 1,947,206	$ 1,961,694

* At lower of cost or market as determined by the retail method as it is determined on the LIFO basis
# Less accumulated depreciation and amortization
+ $5 par value
+ + $5 par value

Statistical Summary

Sales to Inventories	25.75	8.61
Working Capital	$312,076,000	$270,538,000
Current Ratio	1.53	1.53
Shareholders' Equity	$348,166,000	$783,533,000

Champion Products Inc.

3141 Monroe Avenue
P.O. Box 850
Rochester, New York 14603
(716) 385-3200

Officers: John J. Tanis, chairman, Harold A. Lipson, president & chief executive officer, Robert F. Dorsey, controller, Leon R. Ellin, v.p. finance & treasurer, Harold S. Feinbloom, sr. v.p., William T. Loftus, v.p. research & development, Fred W. Z. Lulot, v.p. sales & marketing, Donald D. Rigano, v.p. operations, Roger J. Vallecorse, v.p. employee relations, Gerald F. Norton, Jr., secretary & general counsel

Directors: Joseph P. Fox*, Angelo A. Costanza, Harold S. Feinbloom*, Robert Van Buren, Sanford J. Liebschutz, John J. Tanis, Grady W. Lewis, John M. Emery*, Harold Lipson*

* Member of the Executive Committee

Business Activities: Operates a chain of factory outlet stores located in New York, Massachusetts and Oregon. Engaged in the production, processing and distribution of athletic uniforms, physical education wear, campus wear, camp wear, and leisure wear.

Transfer Agent(s):

Chase Lincoln First Bank
One Lincoln First Square
Rochester, New York 14643

Stock Exchange(s): American

Ticker Symbol: CH

Number of Stores: (at fiscal year end)

1984	20	1981	14
1983	20	1980	13
1982	17		

Sales and Earnings

	Net Sales	Net Income †
1984	$ 112,483,000	$ 1,660,000
1983	105,897,000	1,820,000
1982	105,541,000	790,000
1981	113,939,000	2,329,000
1980	108,913,000	3,902,000

	No. of Com. Shares +	Earn. per Share ‡
1984	1,639,351	$1.01
1983	1,637,521	1.08
1982	1,708,621	0.46
1981	1,730,796	1.35
1980	1,704,021	2.78

† Including extraordinary gains of $213,000 ($0.13 per share) in 1984
+ Adjusted to reflect stock split
‡ Based on the weighted aver. ee number of shares outstanding adjusted to reflect stock split

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.72	—	—
1983	0.72	—	—
1982	0.72	—	—
1981	0.72	—	—
1980	0.70⅔	—	3-for-2

+ Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 37,507,000	$22.88
1983	37,007,000	22.60
1982	37,430,000	21.91
1981	38,136,000	22.03
1980	36,733,000	21.55

‡ Adjusted to reflect stock split

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 112,483,000	$ 105,897,000
Cost of sales	86,933,000	79,508,000
Expenses	21,887,000	22,388,000
Interest expense	1,315,000	956,000
Income before taxes	$ 2,348,000	$ 3,045,000
Income taxes	901,000	1,225,000
Net Income	$ 1,447,000	$ 1,820,000
Extraord. gain	213,000	
Net Income & extraord. gain	$ 1,660,000	$ 1,820,000

* Included in Costs and Expenses, Depeciation $1,817,000 in 1984 and $1,984,000 in 1983

Assets

As of Dec. 31	1984	1983
Cash	$ 5,874,000	$ 7,010,000
Accts. receiv., net	12,275,000	12,412,000
*Inventories	24,812,000	26,466,000
Other assets	1,176,000	748,000
Current Assets	$ 44,137,000	$ 46,636,000
#Fixed assets	12,885,000	13,234,000
Other assets	100,000	121,000
Total Assets	$ 57,122,000	$ 59,991,000

Liabilities

Long-term debt, curr	$ 1,066,000	$ 1,066,000
Accts. payable	3,458,000	5,395,000
Accrued taxes	(37,000)	421,000
Accured pension liab	330,000	414,000
Accrued payroll	3,039,000	3,468,000
Obligations under capitalized leases	182,000	158,000
Other liabilities	2,307,000	1,714,000
Curr. Liabilities	$ 10,345,000	$ 12,636,000
Long-term debt	7,824,000	8,890,000
Oblig. under cap. leases	602,000	784,000
Def. inc. taxes	844,000	674,000
+ Common stock	1,745,000	1,743,000
Add. paid-in capital	11,648,000	11,631,000
Retained earnings	25,540,000	25,059,000
Treasury stock	(1,426,000)	(1,426,000)
Total Liabilities & Shareholders' Equity	$ 57,122,000	$ 59,991,000

* At lower of cost (LIFO) or market
# Less accumulated depreciation
+ $1 par value

Statistical Summary

% Income bef. Taxes to Sales	2.09	2.88
% Net Income to Sales	1.29	1.72
% Net Income to Equity	3.86	4.92
Sales to Inventories	4.53	4.00
Working Capital	$33,792,000	$34,000,000
Current Ratio	4.27	3.69
Shareholders' Equity	$37,507,000	$37,007,000

Charming Shoppes, Inc.

450 Winks Lane
Bensalem, Pennsylvania 19020
(215) 245-9100

Officers: Morris Sidewater, president & chief executive officer, David Wachs, secretary & chairman of the board, Arthur Sidewater, Ellis Wachs, sr. exec. vice presidents, Richard DeRose, Steven Sidewater, Samuel Sidewater, Herbert Vederman, Stephen Wolfson, Philip Wachs, exec. vice presidents, Bernard Brodsky, vice president, asst. treasurer & controller, Lionel Savadove, exec. v.p. & gen. counsel, Gerald Brahms, Seymour Cohen, Anthony DiCerbo, H. Richard Dollinger, Howard Edels, Manuel Ginsburg, Ben Mento, Paul Robins, Ivan Szeftel, Michael Wenger, v.p.'s

Directors: David Wachs, chairman, Morris Sidewater, Arthur Sidewater, Ellis Wachs

Business Activities: Operates women's specialty stores under the names Charming Shoppes, Fashion Bug, Fashion Bug Plus and J.P. Allen. These stores are located in Delaware, Maryland, Kentucky, Illinois, Connecticut, New Jersey, Pennsylvania, Ohio, New York, North Carolina, Indiana, South Carolina, Virginia, West Virginia, Tennessee, Michigan, and Georgia.

Acquisition(s):

A.L. Zachry Company
Operates 7 J.P. Allen women's specialty stores in the Atlanta, Georgia area

Transfer Agent(s):

Mellon Bank (East) N.A.
Philadelphia, Pennsylvania

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CHRS (NASDAQ)

Number of Stores: (at fiscal year end)

1985	444	1982	258
1984	362	1981	202
1983	303		

Sales and Earnings

	Net Sales#	Net Income
1985	$ 299,262,000	$ 20,226,000
1984	240,673,000	17,346,000
1983	176,311,000	12,117,000
1982	145,905,000	10,898,000
1981	126,104,000	10,279,000

	No. of Com. Shares‡	Earn. per Share ‡
1985	21,350,336	$ 0.95
1984	21,020,154	0.83
1983	20,875,383	0.58
1982	20,840,291	0.52
1981	20,720,256	0.50

Includes other income
‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1985	$0.18	—	3-for-2
1984	0.17	—	—
1983	0.15	—	4-for-3
1982	0.14	—	—
1981	0.09	—	5-for-4

‡ Adjusted to reflect stock splits

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 89,168,000	$ 4.18
1984	71,980,000	3.42
1983	55,597,000	2.66
1982	46,284,000	2.22
1981	38,020,000	1.83

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits

Income Account *

	2/2/85	1/28/84
Net sales	$ 297,321,000	$ 238,398,000
Cost of sales	193,832,000	152,905,000
Expenses	69,39,000	56,616,000
Other income	(1,941,000)	(2,275,000)
Income before taxes	$ 36,041,000	$ 31,152,000
Income taxes	15,815,000	13,806,000
Net Income	$ 20,226,000	$ 17,346,000

* Included in Costs and Expenses, Depreciation and Amortization: $4,300,000 in 1985 and $3,044,000 in 1984

Assets

As of	2/2/85	1/28/84
Cash and cert. of deposit	$ 2,048,000	$ 15,937,000
*Inventories	62,576,000	43,751,000
Other assets	9,477,000	9,723,000
Current Assets	$ 74,101,000	$ 69,411,000
#Fixed assets	46,691,000	35,104,000
Long-term invest	8,110,000	7,709,000
Total Assets	$ 128,902,000	$ 112,224,000

Liabilities

Long-term debt, curr.	$ 1,176,000	$ 1,813,000
Accts. payable	16,506,000	15,454,000
Accruals	8,704,000	10,323,000
Income taxes	3,722,000	3,811,000
Current Liabilities	$ 30,108,000	$ 31,401,000
Long-term debt	3,350,000	4,536,000
Deferred taxes	6,276,000	4,307,000
+ Common stock	2,155,000	1,422,000
Class B Common stock	27,000	39,000
Add. paid-in capital	8,968,000	8,687,000
Retained earnings	80,783,000	64,507,000
Deferred employee compensations	(1,528,000)	(1,438,000)
Notes receivable	(1,237,000)	(1,237,000)
Total Liabilities & Shareholders' Equity	$ 128,902,000	$ 112,224,000

* At lower of cost or market, by the retail method (FIFO)
# Less accumulated depreciation & amortization
+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Sales	12.12	13.07
%Net Income to Sales	6.80	7.28
%Net Income to Equity	22.68	24.10
Sales to Inventories	4.75	5.45
Working Capital	$43,993,000	$38,010,000
Current Ratio	2.46	2.21
Shareholders' Equity	$89,168,000	$71,980,000

Chromalloy American Corporation

120 South Central Avenue
St. Louis, Missouri 63105
(314) 726-9200

Officers: Norman E. Alexander, chairman of the board & chief executive officer; William E. Stevens, president & chief operating officer; Thomas G. Barnett, exec. v.p.-finance & chief financial officer; Geoffrey L. Phillips, exec. v.p.-operations administration; John P. Denneen, exec. v.p., general counsel; Ernest M. Felago, v.p.-human resources; A.W. Clubb, v.p.-personnel & administration; Del G. Meinz, v.p.-taxes; James A. Silkwood, v.p.-corporate development; John J. Quicke, v.p. & controller; Charles E. Self, treasurer

Directors: Norman E. Alexander*, chairman; Robert Bennett, A. Leon Fergenson*, Allan Kramer, Stuart Z. Krinsly*, Jack G. Merrell, Craig Stevenson, Fred R. Sullivan, Millard L. Midonick, William E. Stevens*

* Member of the Executive Committee

Product Groups; Division & Subsidiaries:

Consumer and Building Products Group
250 King Manor Drive
King of Prussia, Pennsylvania 19406

Fabrication, installation and distribution of glass and aluminum-glass building materials, distribution of glass pipe and fittings, manufacture of mirrors, manufacture of insulated glass window components, general housing materials and lumber sales, prefabricated lumber building components millwork, and modular homebuilding components. Also produces rubber and vinyl footwear.

Textile - Apparel Group
1270 Broadway
New York, New York 10001

Production of cotton and cotton/polyester blend fabrics from raw bale cotton and polyester; dyeing and finishing cotton and synthetic materials used in the manufacture of sleeping bags, tents, outdoor cushions and similar items; dyeing and chemically processing cotton textiles for the purpose of making the material water repellent, mildew resistant and fire retardant; importing and selling greige and finished goods to various domestic textile users; designs and merchandises a complete line of men's suits, sport coats and slacks under the "Clubman", "Marx-Haas" and "Hampton Heath" labels and under retailers' private labels; women's sportswear under the Campus Casuals label and coordinated separates under the Gordon of Philadelphia label; operates 70 specialty apparel stores, located in enclosed mall shopping centers in seventeen states principally west of the Mississippi River, under the store names of K-G Men's Stores, and K-G Bootery. Also operates 60 self-service retail stores based in Texas under the name K. Wolens Stores, K's Thrift Centers and K's Shoe Stores, offering men's, ladies and children's clothing and certain other household items.

Metal Tectonics Group
4430 Director Drive
San Antonio, Texas 78219

Sophisticated diffusion systems for coating metal, proprietary turbine engine component repair; specialized airfoil castings; machineable ferrous carbides; decorative finishing of coil aluminum and steel; grey, ductile, and malleable iron castings; aluminum castings and vehicular radiator cores.

Transport-Marine Company
120 South Central Avenue
St. Louis, Missouri 63105

Movement of regulated and bulk commodities by barge and tanker, urban and suburban bus transportation.

Farm and Industrial Equipment Company
Shelard Plaza
St. Louis Park, Minnesota 55426

Agricultural implements for preparing and cultivating soil, harvesting, handling crops and animal feed, tractor-attached implements; silos and related equipment, specialized truck bodies.

Petroleum Services Group
654 East North Belt
Houston, Texas 77060

Mining of barite, an essential component of drilling compounds, manufacture and sale of drilling fluids (mud) and related chemicals, engineering, designing, fabricating and installing custom-built water treatment systems for municipalities and operators of electrical and other production facilities with water control and environmental problems, manufacture and sale of oil field exploration and production equipment such as cementing tools and paraffin scrapers, hard-facing valves and seats as well as repairs to industrial control valves, repair of industrial gas compressors including manufacture and remanufacture of component parts; retail outlets are operated in principal locations in the United States to service oil drilling and production companies with a large variety of tools, welding and safety supplies, as well as proprietary products.

The Saval Group, Inc.

Operates three insurance companies.

Chromalloy Finance Corporation

Finances trade receivables from other subsidiaries, leases autos, trucks and other equipment.

The Centor Company

A real estate subsidiary holding various income-producing properties.

Transfer Agent(s):

Manufacturers Hanover Trust Company
450 West 33rd street
New York, New York 10001

Mercantile Trust Company, N.A.
721 Locust Street
St. Louis, Missouri 63101

Stock Exchange(s): New York

Ticker Symbol: CRO

Number of Stores: (at fiscal year end)

1984	142	1981	131
1983	129	1980	146
1982	130		

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1984	$ 865,646	$ (4,628)
1983	841,296	(42,223)
1982	942,781	(42,380)
1981	1,025,037	(42,380)
1980	940,793	12,613

	No. of Com. Shares #	Earn. per Share #
1984	15,223,000	$ —
1983	15,145,000	—
1982	15,155,000	—
1981	14,758,000	0.57
1980	13,777,000	2.45

(Loss)
+ Of continuing operations only
# Based on the average number of common shares and common share equivalents outstanding

Revenues By Line of Business
(000's)

	1984	1983
Transportation	$ 279,368	$ 256,252
Metal fabrication	235,117	238,666
Petroleum services	215,262	217,157
Apparel	135,899	129,221
Total	$ 865,646	$ 841,296

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	—	—
1982	0.45	—	—
1981	1.10	—	—
1980	1.10	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1984	$ 231,193,000	$ 15.19
1983	243,189,000	16.06
1982	289,399,000	19.10
1981	344,712,000	23.36
1980	339,752,000	24.66

‡ After allowing for preferred stock at involuntary liquidation value.

† Based on the average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales & oper. revenues	$ 865,646	$ 841,296
Cost of sales	664,922	651,116
Selling, general & admin. exp.	160,852	159,556
Operating income	$ 39,872	$ 30,624
Interest expense	34,588	42,045
Prov. for impaired assets	—	60,704
Other income	(1,009)	(7,196)
Income (loss) before taxes	$ 6,293	$ (64,929)
Income taxes (credit)	5,403	(35,061)
Equity in fin. serv.	2,795	10,158
Loss-cont. oper.	$ (1,905)	$ (40,026)
Loss-discont. oper.	(2,723)	(2,197)
Net Loss	$ (4,628)	$ (42,223)

* Including in Costs and Expenses, Depreciation and Amortizations $42,954,000 in 1984 and $43,682,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 25,339	$ 19,306
Receiv., net	109,481	114,315
*Inventories	135,172	124,838
Income taxes	716	19,819
Prepaid expenses	16,383	15,035
Assets of discont. oper.	13,955	17,100
Current Assets	$ 301,046	$ 310,413
#Fixed assets	358,296	391,212
Investment	13,956	21,898
Other assets	21,068	28,176
Total Assets	$ 694,366	$ 751,699

Liabilities
(000's)

	1984	1983
Long-term debt, curr.	$ 28,693	$ 39,904
Notes payable	11,056	17,384
Accts. payable	68,970	65,016
Accruals	69,773	69,214
Curr. Liabilities	$ 178,492	$ 191,518
Long-term debt	224,655	253,229
Other deferred liabilities	22,467	30,113
+ Preferred stock	806	808
+ + Common stock	15,260	15,211
Add. paid-in capital	120,973	120,678
Retained earnings	135,536	140,164
Other	(3,823)	(22)
Total Liabilities & Shareholders' Equity	$ 694,366	$ 751,699

* At lower of cost or market. Domestic inventories at LIFO, Foreign at FIFO.

Less accumulated depreciation.

+ $1 par value, $5.00 cumulative convertible.

+ + $1 par value.

Statistical Summary

Working Capital	$122,554,000	$118,895,000
Current Ratio	1.70	1.62
Shareholders' Equity	$268,752,000	$276,839,000

The Circle K Corporation

4500 South 40th Street
Phoenix, Arizona 85040
(602) 268-1351

900 Magoffin Avenue
El Paso, Texas 79901
(915) 532-4974

Mailing address:
P.O. Box 20230
Phoenix, Arizona 85036

Officers: Fred Hervey, chairman of the board & chief executive officer; Robert E. Hutchinson, president & chief operating officer; Bill J. Farmer, v.p.-finance & treasurer; Stephen E. Schwitalla, v.p.-distribution center; Robert Stahl, v.p.-merchandising; William Remmers, v.p.-operations; Earl Burk, v.p.-store operations; Robert F. Burns, v.p.-gasoline operations; Robert J. Peterson, v.p.-store operations; Dale Giannantoni, v.p.-store operations; Kenneth A. Moffitt, v.p.-human resources.

Directors: Fred T. Hervey, chairman; Herman R. Fenstermacher, Robert E. Hutchinson, Bill J. Farmer, William H. Remmers, Dean Guerin, Karl Eller, Larry W. Zine.

Business Activities: Operates a chain of convenience food stores in California, Arizona, New Mexico, Texas, Idaho, Nevada, Oregon, Montana, Colorado, Oklahoma, Utah and Washington.

Transfer Agent(s):

El Paso National Bank
El Paso, Texas

Chemical Bank
New York Trust Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: CKP

Number of Stores: (at fiscal year end)

1983	1,211	1980	1,200
1982	1,211	1979	1,158
1981	1,194		

Sales and Earnings

	Net Sales ‡	Net Income
1983	$ 747,844,000	$ 15,164,000
1982	726,793,000	(15,278,000)
1981	644,457,000	14,363,000
1980	533,103,000	16,948,000
1979	438,559,000	10,678,000

	No. of Com. Shares #	Earn. per Share #
1983	11,106,527	$ 1.37
1982	10,315,561	—
1981	9,852,076	1.46
1980	9,787,858	1.73
1979	9,724,690	1.10

(Loss)

‡ Includes contracts operated stores.

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1983	$0.74	—	—
1982	0.73	—	—
1981	0.68	—	—
1980	0.58	—	2-for-1
1979	0.49	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1983	$ 68,474,000	$ 6.16
1982	61,348,000	5.53
1981	70,359,000	7.14
1980	62,688,000	6.40
1979	50,817,000	5.23

‡ Adjusted to reflect stock split.

Income Account

Year ended April 30	1983	1982
Net sales	$ 747,844,000	$ 726,793,000
Cost of sales	574,195,000	557,642,000
Expenses	138,868,000	131,031,000
Depreciation	10,864,000	10,300,000
Oper. profit	$ 23,917,000	$ 27,820,000
Other income	5,885,000	9,021,000
Total	$ 29,802,00	$ 36,841,000
Interest expense	5,644,000	7,528,000
Other charges	3,675,000	31,862,000
Income (loss) before taxes	$ 20,483,000	$ (2,549,000)
Income taxes	5,319,000	12,729,000
Net Income (Loss)	$ 15,164,000	$ (15,278,000)

Assets

As of April 30	1983	1982
Cash	$ 12,287,000	$ 11,836,000
Receivables, net	3,526,000	4,627,000
*Inventories	42,302,000	40,817,000
Prepaid inc. taxes	8,351,000	2,217,000
Prepaid expenses	174,000	207,000
Prop. held for sale	7,606,000	6,158,000
Current Assets	$ 74,246,000	$ 65,862,000
#Fixed Assets	91,560,000	86,817,000
Notes & contracts receivable	1,893,000	1,363,000
Invest. in NuCorp Energy	—	3,897,000
Other investments	672,000	482,000
Excess prop. held for sale	458,000	473,000
Other assets	5,841,000	4,430,000
Total Assets	$ 174,670,000	$ 163,324,000

Liabilities

	1983	1982
Long-term debt, curr.	$ 13,808,000	$ 278,000
Oblig. under cap. leases, curr.	2,048,000	2,017,000
Accts. payable	23,762,000	19,538,000
Accruals	9,932,000	9,856,000
Due to banks	—	6,000,000
Income taxes	65,000	1,106,000
Money orders sold	4,665,000	3,683,000
Curr. Liabilities	$ 54,280,000	$ 42,478,000
Long-term debt	15,622,000	29,465,000
Oblig. under cap. leases	24,926,000	26,150,000
Other liabilities	392,000	451,000
Def. inc. taxes	10,976,000	3,432,000
+ Common stock	11,112,000	11,103,000
Add. paid-in capital	26,659,000	26,489,000
Retained earnings	30,703,000	23,756,000
Total Liabilities & Shareholders' Equity	$ 174,670,000	$ 163,324,000

* At lower of cost (retail method) or market
# Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

% Income bef. Taxes to Sales	2.74	—
% Net Income to Sales	2.03	—
% Net Income to Equity	22.15	—
Sales to Inventories	17.68	17.81
Working Capital	$19,966,000	$23,384,000
Current Ratio	1.37	1.55
Shareholders' Equity	$68,474,000	$61,348,000

The Clothestime, Inc.

5325 East Hunter Avenue
Anaheim, California 92807
(714) 779-5881

Officers: Michael P. DeAngelo, chief executive officer, Raymond A. DeAngelo, vice chairman of the board, John Ortega II, vice chairman of the board, Gordon Nielson, president, August DeAngelo, corporate secretary, William W. Mowbray, senior vice president-finance and administration; Joel T. Doti, senior vice president-store operations and personnel, Jeffrey R. Dake, vice president-real estate & construction, Roger C. Johnson, vice president-risk management.

Directors: Michael P. DeAngelo, chairman, Raymond A. DeAngelo, John Ortega II, August DeAngelo, Gordon Nielson, Edgar F. Berner, Richard L. Nelson.

Business Activities: The company operates women's apparel stores in California, Nevada, Arizona, Texas, Colorado, New Mexico and Washington. The stores offer primarily in-season, moderately priced, junior sportswear, dresses and accessories. Most of these items are sold under recognizable brand names, at substantial discounts from better department and specialty store prices.

The Company and its predecessors have been in business since 1974. The Clothestime, Inc. has existed since the beginning of fiscal 1981.

Transfer Agent(s):

U.S. Stock Transfer Corporation
1745 Gardena Ave
Glendale, CA 91204

Stock Exchange(s): Over-the-counter

Ticker Symbol: CTME (NASDAQ)

Number of Stores: (at fiscal year end)

1985 155

Sales and Earnings

	Net Sales †	Net Income
1985	$ 98,247,000	$ 3,311,000
1984	68,448,000	2,420,000
1983	46,014,000	1,134,000
1982*	26,339,000	387,000
1981	18,823,000	207,000

	No. of Com. Shares ‡	Earn. per Share ‡
1985	4,683,000	$ 0.71
1984	4,055,000	0.60
1983	3,960,000	0.29
1982*	3,840,000	0.10
1981	3,840,000	0.05

* 53 weeks.
† Includes other income.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	—	—	—
1984	—	—	5.6-for-1
1983	—	—	100-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 12,317,000	$ 2.63
1984	8,973,000	2.21
1983	2,728,000	0.69
1982	1,594,000	0.42
1981	1,207,000	0.31

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *

Year ended	1/27/85	1/29/84
Net sales	$ 98,007,870	$ 68,360,930
Other income	239,104	87,767
Total income	$ 98,246,974	$ 68,448,157
Cost of sales	62,743,796	43,550,170
Expenses	29,453,330	20,132,403
Interest expense	166,252	228,865
Income before taxes	$ 5,883,596	$ 4,536,719
Income taxes	2,573,000	2,117,000
Net Income	$ 3,310,596	$ 2,419,719

* Included in Costs and Expenses, Depreciation and Amortization. $899,001 in 1985 and $599,993 in 1984.

Assets

As of	1/27/85	1/29/84
Cash & short-term invest	$ 634,455	$ 2,673,212
Marketable securities	476,213	—
Accts. receiv., net	409,755	203,448
*Inventories	12,093,573	7,391,665
Prepaid inc. taxes	776,726	210,737
Prepaid expenses	1,044,582	494,821
Current Assets	$ 15,435,304	$ 10,973,883
#Fixed assets	9,398,904	4,753,063
Other assets	168,804	113,592
Total Assets	$ 25,003,012	$ 15,840,538

Liabilities

Notes payable	$ 3,000,000	$ —
Long-term debt, curr.	247,344	104,036
Accts. payable	5,675,895	3,765,925
Accrued sales taxes	368,620	814,431
Accrued payroll	942,627	745,277
Other accruals	701,808	377,173
Income taxes	—	189,514
Curr. Liabilities	$ 10,936,249	$ 5,996,356
Long-term debt	808,497	511,672
Deferred inc. taxes	941,031	359,984
\+ Common stock	44,947	43,750
Add. paid-in capital	5,149,528	4,781,289
Notes receiv. from officers	(335,368)	—
Retained earnings	7,458,083	4,147,487
Total Liabilities & Shareholders' Equity	$ 25,003,012	$ 15,840,538

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value

Statistical Summary

% Income bef. Taxes to Sales	6.00	6.64
% Net Income to Sales	3.38	3.54
% Net Income to Equity	26.88	26.97
Sales to Inventories	8.10	9.25
Working Capital	$ 4,499,055	$ 4,977,527
Current Ratio	1.41	1.83
Shareholders' Equity	$12,317,190	$8,972,526

Color Tile, Inc.

515 Houston Street
Fort Worth, Texas 76102
(817) 870-9630

Officers: John A. Wilson, chairman of the board, president & chief executive officer, Barry W. Witt, v.p. & treasurer, Eddie M. Lesok, exec. v.p. & secretary.

Directors: John A. Wilson, chairman of the board, Jesse L. Upchurch, Bill Brooks, John H. McDaniel, Eddie M. Lesok, J. Roger Williams.

Business Activities: Operates home improvement centers in the U.S. and Canada. Products sold include paint, wallpaper, vinyl floors, wood flooring, ceramics and installation materials.

Subsidiaries:

Color Tile Supermart, Inc.
Conducts the retail operations of the Company.

Color Tile Manufacturing, Inc.
Manufacturing plant

C. Tile Transportation, Inc.

Transfer Agent(s):

InterFirst Bank Fort Worth, N.A.
Post Office Box 2911
Fort Worth, Texas 76113

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TILE (NASDAQ)

Number of Stores: (at fiscal year end)

1984	630	1981	520
1983	595	1980	445
1982	565		

Sales and Earnings

	Net Sales	Net Income
1984	$ 282,765,000	$ 13,930,000
1983	241,136,000	13,061,000
1982	222,674,000	11,936,000
1981	227,522,000	11,426,000
1980	207,089,000	13,550,000

	No. of Com. Shares †	Earn. per Share †
1984	9,712,000	$ 1.43
1983	10,462,000	1.25
1982	10,566,000	1.13
1981	10,902,000	1.05
1980	10,193,000	1.33

† Based on the average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 101,746,000	$ 11.16
1983	110,470,000	10.50
1982	94,790,000	9.12
1981	88,232,000	8.10
1980	75,814,000	6.99

‡ Adjusted to reflect stock split.

Income Account
(000's)

Year ended June 30	1984	1983
Net sales	$ 282,765	$ 241,136
Cost of sales	125,899	102,222
Expenses	119,419	105,621
Depreciation & amortization	6,446	5,776
Interest expense	4,743	4,897
Income before taxes	$ 26,258	$ 22,620
Income taxes	12,328	9,559
Net Income	$ 13,930	$ 13,061

Assets
(000's)

As of June 30	1984	1983
Cash	$ 4,998	$ 35,505
Accts. receiv., net	2,499	1,336
*Inventories	76,860	62,522
Other assets	4,818	2,395
Current Assets	$ 89,175	$ 101,758
#Fixed assets	98,588	97,985
Other assets	1,428	2,160
Total Assets	$ 189,191	$ 201,903

Liabilities
(000's)

	1984	1983
Long term debt Oblig. under cap. lease	$ 3,285	$ 2,661
Mortgages	286	260
Notes payable	—	10,000
Accounts payable	9,272	4,694
Accruals	9,971	8,946
Accrued payroll	5,146	3,495
Income taxes payable	993	625
Curr. Liabilities	$ 28,953	$ 30,681
Oblig. under cap. lease	50,519	51,900
Mortgage payable	7,263	7,551
Other liabilities	710	1,301
• Common stock	11,000	11,000
Add. paid-in-capital	34,561	34,365
Retained earnings	84,666	70,736
Treasury shares	(28,481)	(5,631)
Total Liabilities & Shareholders' Equity	$ 189,191	$ 201,903

* At lower of cost or market.
# Less accumulated depreciation and amortization.
• $1 par value.

Statistical Summary

	1984	1983
% Income bef. Taxes to Sales	9.29	9.38
% Net Income to Sales	4.93	5.41
% Net Income to Equity	13.69	11.82
Sales to Inventories	3.68	3.85
Working Capital	$ 60,222,000	$ 71,077,000
Current Ratio	3.08	3.31
Shareholder's Equity	$101,746,000	$110,470,000

CONNA Corporation

Cosmopolitan Building
981 South Third Street
Louisville, Kentucky 40203
(502) 584-1281

Mailing address

P.O. Box 35680
Louisville, Kentucky 40232

Officers: Joe P. Peden, chairman of the board & chief executive officer; Robert T. Johnson, president & chief operating officer; Douglas A. Vetter, sr. v.p. & chief financial officer; R.J. Stewart, sr. v.p.-real estate; John A. Elsner, secretary; A.E. Jenkins, controller.

Directors: George Duthie, Charles F. Haywood, Robert T. Johnson, Joe P. Peden, William B. Peden, R.J. Stewart, P. Duane Walker, Winson DeWitt, Jack C. Chang.

Business Activities: Through its subsidiary companies, is primarily a regional franchisor of Convenient Food Mart stores and an operator of retail, self-service gasoline outlets. Other subsidiaries engage in dairy product delivery, wholesaling to its stores, and retail construction, financing and store equipment selection.

Subsidiaries:

Convenient Industries of America
P.O. Box 35710
Louisville, Kentucky 40232
Operates or franchises 435 Convenient Food Mart stores in Kentucky, Tennessee, Indiana, Illinois, Iowa, Kansas, New York, New Hampshire, Connecticut, Massachusetts, North Carolina.

Remote Services, Inc.
P.O. Box 35580
Louisville, Kentucky 40232
Owns and operates self-service gasoline outlets.

Oscar Ewing Inc.
A distributor of dairy items and other refrigerated products.

CFM Distributors Inc. (50% owned)
Services Convenient Food Mart stores.

Financial Opportunities Inc.
Small business investment company, operating under a license from the Small Business Administration.

Remstar Corporation (52.5% owned)
P.O. Box 34180
Louisville, Kentucky 40232
Distributor of Autocard, an electronic device for automatically verifying credit card transactions at gasoline locations.

Quadstar Corporation (28% owned)
A computer software company specializing in electronic funds transfer systems.

Transfer Agent(s):

Citizens Fidelity Bank & Trust Company
P.O. Box 33000
Louisville, Kentucky 40232

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CONA

Number of Stores: (at fiscal year end)

	Food Mart Stores	Self-Service Gasoline Outlets
1984	405	268
1983	422	283
1982	418	309
1981	416	314
1980	336	248

Sales and Earnings

	Revenues	Net Income
1984	$ 200,006,000	$ 22,000
1983	229,750,000	88,000
1982	252,210,000	1,632,000
1981*	234,929,000	1,947,000
1980	139,633,000	2,517,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	1,187,000	$ 0.02
1983	1,148,000	0.08
1982	1,126,000	1.45
1981*	1,112,000	1.75
1980	1,103,000	2.28

* 53 weeks.
‡ Based on the average number of common shares outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1984	1983
Food Mart stores	$ 31,891,000	$ 42,628,000
Gasoline	152,301,000	170,126,000
Dairy	12,871,000	14,962,000
Corp. & other	2,943,000	2,034,000
Total	$ 200,006,000	$ 229,750,000

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1984	$0.48	—	—
1983	0.48	—	—
1982	0.47	10%	
1981	0.41	10%	
1980	0.31	50%	

† Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 11,912,000	$ 10.04
1983	12,457,000	10.50
1982	12,215,000	10.84
1981	11,144,500	9.89
1980	9,530,569	8.59

† Adjusted to reflect stock dividends.

Income Account

Year ended	5/27/84	5/29/83
Net sales	$ 188,271,000	$ 216,433,000
Cont. franchise fees	9,787,000	9,391,000
Other income	1,948,000	3,926,000
Total income	$ 200,006,000	$ 229,750,000
Cost of sales	175,820,000	201,306,000
Expenses	19,241,000	23,467,000
Depreciation & amortization	2,353,000	2,229,000
Disposal of Petco oper.	1,150,000	1,742,000
Interest expense	1,534,000	1,279,000
Loss before taxes	$ (92,000)	$ (273,000)
Tax credit	(114,000)	(361,000)
Net Income	$ 22,000	$ 88,000

Assets

As of	5/27/84	5/29/83
Cash & cash equivalents	$ 2,304,000	$ 3,867,000
Accts. receiv., net	10,723,000	10,823,000
*Inventories	5,284,000	5,830,000
Prop. & equip. under develop.	715,000	1,392,000
Properties held	576,000	2,017,000
Invest. in subleases	372,000	278,000
Deferred income taxes	631,000	1,158,000
Other curr. assets	299,000	989,000
Current Assets	$ 20,904,000	$ 26,354,000
Invest. in subleases	4,299,000	4,176,000
Invest. in unconsol. subsid.	2,891,000	3,616,000
#Fixed assets	12,244,000	9,746,000
Deposits	1,285,000	1,600,000
Accts. & notes receiv.	3,713,000	2,509,000
Franchise rights	948,000	696,000
Intangibles	736,000	739,000
Sundry	2,568,000	1,425,000
Total Assets	$ 49,588,000	$ 50,861,000

Liabilities

	5/27/84	5/29/83
Notes payable	$ 1,000,000	$ 1,000,000
Long-term debt curr.	1,816,000	974,000
Cap. lease oblig. curr.	873,000	698,000
Accts. payable	9,535,000	14,745,000
Accrued expenses	1,226,000	1,124,000
Curr. Liabilities	$ 14,450,000	$ 18,541,000
Long-term debt	12,289,000	9,109,000
Cap. lease oblig.	6,470,000	5,727,000

Deposits, def. inc. taxes & other liab.	4,467,000	5,027,000
+ Common stock	6,602,000	6,599,000
Add. paid-in capital	608,000	608,000
Retained earnings	4,702,000	5,250,000
Total Liabilities & Shareholders' Equity	$ 49,588,000	$ 50,861,000

* At lower of costs (FIFO or retail) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Net Income to Sales	0.01	0.04
%Net Income to Equity	0.18	0.70
Sales to Inventories	35.63	37.12
Working Capital	$ 6,454,000	$ 7,813,000
Current Ratio	1.45	1.42
Shareholders' Equity	$11,912,000	$12,457,000

C & R Clothiers Inc.

8660 Hayden Place
Culver City, California 90230
(213) 559-8200

Officers: Paul S. Reisbord, chairman of the board & president; Jules Yablok, secretary; Burton L. Kieffer, exec. v.p.; Richard J. Hook, v.p. & general merchandise mgr.; Elinor Johns, v.p.-human resources; Sidney Rosenbloom, v.p.-operations; Dianne Thomas, v.p.-advertising, sales promotion; Evans Jonson, v.p.-field operations; Joel S. Adelman, controller.

Directors: Paul S. Reisbord, chairman; Jules Yablok; Harry Reisbord; Haya Reisbord.

Business Activities: Operates a chain of men's clothing stores in southern California.

Transfer Agent(s):
Union Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CLTH (NASDAQ)

Number of Stores: (at fiscal year end)

1982	37	1979	31
1981	36	1978	32
1980	35		

Sales and Earnings

	Net Sales	Net Income †
1982	$ 34,669,874	$ 515,758
1981	27,529,064	443,591
1980	26,066,530	296,079
1979	25,216,648	661,995
1978	22,968,983	559,160

	No. of Com. Shares #	Earn. per Share #†
1982	1,328,257	$ 0.39
1981	1,350,380	0.33
1980	1,329,618	0.22
1979	1,341,159	0.49
1978	1,371,882	0.41

# Based on the weighted average number of shares outstanding adjusted to reflect stock split.
† Restated to reflect change in accounting method to comply with FASB Statement No. 43 concerning compensated absences.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1982	—	—	—
1981	—	—	—
1980	—	—	3-for-1

Common Stock Equity †

	Total Equity	Equity Per Share#
1982	$ 4,629,735	$ 3.49
1981	4,179,359	3.09
1980	3,817,056	2.87
1979	3,539,221	2.64
1978	2,927,799	2.13

† Restated.
# Based on the weighted average number of shares outstanding adjusted to reflect split.

Income Account

Year ended Jan. 31	1982	1981 †
Net sales	$ 34,669,874	$ 27,529,064
Cost of sales	18,683,067	14,415,593
Expenses	14,469,078	11,876,957
Depreciation & amortization	302,374	249,416
Interest expense	292,597	151,507
Income before taxes	$ 922,758	$ 835,591
Income taxes	407,000	392,000
Net Income	$ 515,758	$ 443,591

Assets

As of Jan. 31	1982	1981 †
Cash	$ 316,145	$ 517,444
Emp. advances & other receiv.	160,717	316,619
*Inventories	8,108,728	6,380,591
Prepaid expenses	147,472	133,496
Current Assets	$ 8,733,062	$ 7,348,150
#Fixed assets	2,064,833	1,650,990
Other assets	464,340	340,537
Total Assets	$ 11,262,235	$ 9,339,677

Liabilities

Notes payable	$ 75,000	$ 223,812
Accts. payable	3,440,743	2,976,090
Accruals	1,280,573	1,001,915
Income taxes	9,332	254,165
Capital lease obligation	49,597	—
Curr. Liabilities	$ 4,855,245	$ 4,455,985
Notes payable	1,425,000	583,333
Deferred inc. taxes	140,000	121,000
Capital lease obligation	212,255	—
+ Common stock	18,789	18,789
Add. paid-in capital	928,362	928,362
Retained earnings	4,234,703	3,718,945
Treasury stock	(552,119)	(486,737)
Total Liabilities & Shareholders' Equity	$ 11,262,235	$ 9,339,677

† Restated.
* At lower of average cost or market, by the retail method.
# Less accumulated depreciation & amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.66	3.04
%Net Income to Sales	1.49	1.61
%Net Income to Equity	11.14	10.61
Sales to Inventories	4.28	4.31
Working Capital	$3,877,817	$2,892,165
Current Ratio	1.80	1.65
Shareholders' Equity	$4,629,735	$4,179,359

Crowley, Milner and Company

2301 West Lafayette
Detroit, Michigan 48216
(313) 962-2400

Officers: Robert B. Carlson, president & chief executive officer; J. Stephen Kennedy, v.p.-operations; Royal N. Perkins, v.p.-personnel; Andrew J. Soffel, v.p.-finance, secretary & treasurer.

Directors: Alfred M. Entenman, Jr.*, Richard S. Keys, Charles R. Montgomery, Norbert A. Sylvester*, Robert E. Winkel*, Robert B. Carlson, Raymond J. Foresman*, Paul R. Trigg, Jr., Patricia Standart Morrison, Joseph C. Keys, JoAnn Standart, Cousino

* Member of the Executive Committee

Business Activities: Operates stores in Detroit metropolitan area retailing medium and high quality men's, women's and children's apparel and accessories.

Transfer Agent(s):
Comerica Bank-Detroit
Detroit, Michigan

Stock Exchange(s): American

Ticker Symbol: COM

Number of Stores: (at fiscal year end)

1985	9	1982	10
1984	9	1981	10
1983	10		

Sales and Earnings

	Net Sales ‡	Net Income
1984	$ 92,927,448	$ 2,391,000
1983	84,499,601	1,802,000
1982	76,395,663	1,140,000
1981	73,226,506	975,000
1980	63,147,254	1,506,000

	No. of Com. Shares	Earn. per Share
1984	509,067	$ 4.70
1983	509,067	3.54
1982	509,067	2.24
1981	509,067	1.92
1980	509,067	2.96

‡ Including sales of leased department.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.00	—	—
1983	0.73	—	—
1982	0.50	—	—
1981	0.50	—	—
1980	0.75	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 19,112,000	$ 37.54
1983	17,230,000	33.85
1982	15,799,000	31.04
1981	14,913,000	29.30
1980	14,192,000	27.88

Income Account *

Year ended Jan. 31	1985	1984
Net sales	$ 92,927,448	$ 84,499,601
Other income	564,316	350,229
Total Income	$ 93,491,764	$ 84,849,830
Cost of sales	56,274,083	51,426,747
Expenses	31,082,911	28,024,511
Interest expense	1,114,022	1,215,691
Other charges	999,944	822,629

	1985	1984
Income before taxes	$ 4,020,804	$ 3,360,252
Income taxes	1,630,000	1,558,000
Net Income	$ 2,390,804	$ 1,802,252

* Included in Costs and Expenses, Depreciation: $1,937,095 in 1984 and $1,841,437 in 1983.

Assets

As of Jan. 31	1985	1984
Cash	$ 725,373	$ 117,640
Short-term investments	7,000,043	6,889,708
Accts. receiv., net	1,037,467	1,092,275
*Inventories	15,173,482	12,916,054
Prepaid prop. taxes	926,847	886,191
Employee benefits	2,050,000	1,225,000
Other assets	1,009,826	660,716
Current Assets	$ 27,923,038	$ 23,787,584
#Fixed assets	21,298,527	17,117,102
Other assets	1,851,108	1,191,075
Total Assets	$ 51,072,673	$ 42,095,761

Liabilities

	1985	1984
Long-term debt, curr.	$ 505,000	$ 400,000
Cap. lease oblig., curr.	698,351	554,323
Property taxes	1,018,977	958,792
Accts. payable	7,643,194	5,644,936
Accrued payroll	1,557,865	1,150,898
Income taxes	1,713,828	1,093,459
Other taxes	481,883	421,605
Curr. Liabilities	$ 13,619,098	$ 10,224,013
Long-term debt	5,595,000	1,400,000
Cap. lease oblig.	11,258,653	11,956,997
Deferred inc. taxes	933,000	833,000
Other liabilities	555,494	452,060
+ Common stock	509,067	509,067
Add. paid-in capital	2,240,558	2,240,558
Retained earnings	16,361,803	14,480,066
Total Liabilities & Shareholders' Equity	$ 51,072,673	$ 42,095,761

* At lower of cost or market
# Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

	1985	1984
%Income bef. Taxes to Sales	4.33	3.98
%Net Income to Sales	2.57	2.13
%Net Income to Equity	12.51	10.46
Working Capital	$14,303,940	$13,563,571
Current Ratio	2.05	2.33
Shareholders' Equity	$19,111,428	$17,229,691

Crown American Corporation

131 Market Street
Johnstown, Pennsylvania 15907
(814) 536-4441

NOTE: Privately Held

Officers: (Hess's Department Stores, Inc.) Philip I. Berman, chairman of the board & chief executive officer; Irwin Greenberg, president & chief operating officer; Duane F. White, sr. v.p.-finance, treasurer & secretary; Stephen J. Furst, sr. v.p.-operations; Joseph Bigatel, sr. v.p. & general merchandise manager; Larry Baughman, v.p. & merchandise mgr.-men's clothes; Fred Bentelspacher, v.p., director of sales promotion & public relations; Howard Coleman, sr. v.p. & general merchandise manager; Richard Kula, v.p. & director-management information systems; John Murphy, v.p. & director-planning & operations; Wolfgang Otto, v.p. & director-graphic communications; James Quigley, v.p.-mdse. distribution; Frank Stephens, v.p. & exec. dir. personnel; Robert Wells, v.p.-purchasing; Nick Baxevane, v.p. & asst. gen. mdse. mgr.; Carol Clarke, v.p. & mdse. mgr.-intimate apparel; Dennis DeFrain, v.p. & asst. gen. mdse. mgr.; Kenneth A. Hinkle II, v.p.-budgets and controls; Richard Johnson, v.p. & mdse. mgr.-cosmetics; Adolf Klova, v.p.-advertising; Walter Loyle, v.p. & mdse. mgr.-boys' and young men's; Tom Maciag, v.p. & mdse. mgr.-leisure; Cindy Schneider, v.p. & mdse. mgr.-jr. ready-to-wear; Larry Baughman, v.p.-mdse. & mgr.-housewares.

Directors: Philip I. Berman, chairman; Irwin Greenberg, Marlin R. Havener, Frank J. Pasquerilla, William G. Reddinger, Duane F. White, Nicholas O. Antonazzo, Joseph W. Bigatel, Stephen J. Furst, Mark E. Pasquerilla, Nicholas J. Pasquerilla, Howard Coleman, Paul K. Kiever

Business Activities: Through its Hess's Department Stores, Inc. subsidiary, the Company operates full-line department stores in Pennsylvania, New York and Maryland. Also develops shopping centers and operates seven motor inns.

Subsidiary:

Hess's Department Stores, Inc.
Hamilton Mall at Ninth Street
Allentown, Pennsylvania 18101
(215) 435-8411

Number of Stores: (at fiscal year end)

1984	37	1982	N.A.
1983	32	1981	22

N.A. – Not Available
NOTE: The following statement of operations is for Hess's Department Stores and its subsidiaries.

Sales and Earnings ‡

	Net Sales	Net Income
1985	$ 273,590,000	$ 11,651,000
1984	247,487,000	8,636,000

‡ Restated to reflect the company's redefining the basis for determining those sales of leased departments which are included in net retail sales.

Income Account *
(000's)

Year ended Jan. 31	1985	1984 ‡
Net sales	$ 273,590	$ 247,487
Cost of sales	202,211	185,696
Expenses	46,502	40,416
Interest expense	6,221	6,104
Interest income	(3,230)	(1,802)
Discount expense	5,340	4,752
Income before taxes	$ 16,546	$ 12,321
Income taxes	4,895	3,685
Net Income	$ 11,651	$ 8,636

* Included in Costs and Expenses, Depreciation and Amortization: $8,695,000 in 1985 and $8,057,000 in 1984.
‡ Restated

Assets
(000's)

As of Jan. 31	1985	1984
Cash	$ 1,856	$ 3,287
Short-term invest.	48,000	35,000
*Inventories	38,344	31,733
Prepaid expenses	2,155	1,708
Current Assets	$ 90,355	$ 71,728
#Fixed assets	63,019	58,584
Other assets	5,395	758
Intangibles	1,373	1,431
Total Assets	$ 160,142	$ 132,501

Liabilities
(000's)

	1985	1984
Long-term debt, curr.	$ 4,851	$ 4,314
Accts. payable	15,047	15,399
Co-worker compens.	2,043	1,835
Accruals	7,346	5,362
Income taxes	4,209	1,180
Curr. Liabilities	$ 33,496	$ 28,090
Long-term debt	55,021	44,579
Deferred inc. taxes	4,098	3,948
+ Common stock	1,460	1,460
Add. paid-in capital	8,518	8,518
Retained earnings	58,180	46,529
Treasury stock	(631)	(623)
Total Liabilities & Shareholders' Equity	$ 160,142	$ 132,501

* At LIFO cost
# Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

	1985	1984
%Income bef. Taxes to Sales	6.05	4.98
%Net Income to Sales	4.26	3.49
%Net Income to Equity	17.25	15.45
Sales to Inventories	7.14	6.45
Working Capital	$56,859,000	$43,638,000
Current Ratio	2.70	2.55
Shareholders' Equity	$67,527,000	$55,884,000

Crown Auto, Inc.

7550 Corporate Way
Eden Prairie, Minnesota 55344
(612) 937-9000

Mailing address:

P.O. Box 1217
Minneapolis, Minnesota 55440

Officers: Joe H. Adelman, chairman & chief executive officer; Floyd R. Adelman, president & chief operating officer; Arvin D. Adelman, exec. v.p.; Richard Roderick, v.p.-finance & treasurer; Mark J. Adelman, v.p.-human resources; Milo A. Bennett, assistant v.p.-data processing and planning; Israel E. Krawetz, secretary

Directors: Joe H. Adelman, Amos Heilicher, David B. Bishoff, Harry J. Jensen, Jr., Lloyd D. Berkus, Phillip J. Bifulk, Floyd Adelman, Arvin Adelman, P. Robert Larson

Business Activities: Operates a chain of retail automotive departments and stores, most with installation and service facilities. The stores operates under the name Crown Auto Stores and leased departments are located primarily in Minnesota, with others in Wisconsin. Also owns Interstate Automotive Products which operates retail automotive parts stores and a mail order department.

Subsidiaries:

Crown Auto Stores, Inc.
7550 Corporate Way
Eden Prairie, Minnesota 55344
Operates retail automotive stores, service centers and leased departments.

Transfer Agent(s):

First National Bank of Minneapolis
Minneapolis, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: EMPC (NASDAQ)

Number of Stores: (at fiscal year end)

1984	51	1981	49
1983	50	1980	49
1982			

Sales and Earnings

	Net Sales +	Net Income ‡
1984	$ 35,357,959	$ 584,240
1983	32,777,295	707,538
1982	29,062,376	424,656
1981	24,559,709	251,434
1980	22,416,580	80,245

	No. of Com. Shares #	Earn. per Share ‡#
1984	1,070,915	$0.55
1983	1,068,850	0.66
1982	1,357,197	0.31
1981	1,419,146	0.18
1970	1,419,416	0.06

+ Of continuing operations only.
‡ Including extraordnary gains of $213,327 ($0.20 per share) in 1984 and $324,607 ($0.30 per share) in 1983.
# Based on the weighted average number of shares outstanding to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$ —	—	3-for-2
1983	0.067	—	—
1982	0.033	—	—
1981	—	—	—
1980	—	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 3,937,970	$3.68
1983	3,352,780	3.14
1982	2,716,507	2.00
1981	3,354,518	2.36
1980	3,103,084	2.19

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account

Year ended	12/29/84	12/31/83
Net sales	$ 35,357,959	$ 32,777,295
Cost of sales	19,447,632	18,559,363
Expenses	13,770,416	12,315,560
Depreciation & amortization	820,202	647,376
Interest expense	837,031	684,030
Other income	(171,235)	(194,843)
Income before taxes	$ 653,913	$ 765,809
Income taxes	283,000	301,500
Inc.-cont. oper.	$ 370,913	$ 464,309
Loss-discont. oper.	—	(81,378)
Net Income	$ 370,913	$ 382,931
Extraord. gain	213,327	324,607
Net Income & extraord. gain	$ 584,240	$ 707,538

Assets

As of	12/29/84	12/31/83
Cash	$ 136,588	$ 496,210
Market secur.	—	10,645
Receiv., net	908,993	640,587
*Inventories	6,758,765	5,798,026
Prepaid expenses	303,374	255,931
Current Assets	$ 8,107,720	$ 7,201,399
#Fixed assets	6,586,089	5,724,345
Other assets	1,224,613	1,525,182
Total Assets	$ 15,912,422	$ 14,450,926

Liabilities

Notes payable	$ 800,000	$ 1,000,000
Long-term debt, curr. & cap. lease oblig.	571,663	454,891
Accts. payable	3,326,537	3,027,889
Accruals	1,173,194	1,249,618
Income taxes	17,227	87,086
Curr. Liabilities	$ 5,888,621	$ 5,819,484
Long-term debt	810,065	875,494
Deferred compensation	203,700	174,600
Cap. lease oblig.	5,072,066	4,228,568
+ Common stock	1,211,976	1,211,976
Retained earnings	2,725,994	2,140,804
Total Liabilities & Shareholders' Equity	$ 15,912,422	$ 14,450,926

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.85	—
%Net Income to Sales	1.05	—
%Net Income to Equity	9.42	11.42
Sales to Inventories	5.23	5.65
Working Capital	$2,219,099	$1,381,915
Current Ratio	1.38	1.24
Shareholders' Equity	$3,937,970	$3,352,780

Cullum Companies, Inc.

14303 Inwood Road
Dallas, Texas 75234
(214) 661-9700

Officers: Charles G. Cullum, chairman of the board and chief executive officer; Jack W. Evans, president & chief operating officer; J.T. Hairston, Jr., exec. v.p.; James E. Stiles, controller; Robert B. Cullum, Jr., v.p.-corp. development; Houston E. Holmes, Jr., v.p., secretary & general counsel; J. Harold Berg, asst. secretary.

Directors: John S. Burns, Charles G. Cullum*, J. Harold Berg*, Jack W. Evans*, Earl A. Forsythe, W.R. Hawn, Mrs. Paul Middleton, Houston E. Holmes, Jr.*, J.T. Hairston, Jr.*, Mrs. Robert B. Cullum, Norman Brinker, Robert Onstead.

* Member of the Executive Committee.

Business Activities: Operates a chain of supermarkets and drug stores in Texas and California; the Tom Thumb Supermarkets and Page Drug Stores operate in the Austin and Dallas, Texas area and Pantry Food Markets are located in the greater Los Angeles area; operates Hinky-Dinky Supermarkets in Nebraska, South Dakota and Iowa and Grocery Supply Company stores in Nebraska, Kansas, Iowa, Arkansas, Oklahoma and Missouri. Also operates wholesale food distributing companies and a meat packing firm.

Divisions and Subsidiaries:

Tom Thumb Stores, Inc.
Dallas, Texas
Operates supermarkets in Texas.

Pantry Food Markets, Inc.
Pasadena, California
Operates a chain of retail food stores in the suburban communities of the Los Angeles area.

Page Drugs, Inc.
Dallas, Texas
Operates drug stores in the greater Dallas area, some are combination with Tom Thumb food stores.

American Community Corporation
Omaha, Nebraska
Operates supermarkets located in Nebraska, Iowa, & South Dakota, under the name Hinky-Dinky.

Grocery Supply Company
Omaha, Nebraska
Operates retail warehouse markets in Nebraska, Missouri, Kansas, Arkansas and Oklahoma.

Gooch Packing Company, Inc.
Abilene, Texas
Midland, Texas
Meat packing operations.

A.W. Cullum & Company
Dallas, Texas
Wholesale food distributor for the Dallas-Ft. Worth market.

Cullum Development Company
Dallas, Texas
Engages in real estate development.

Transfer Agent(s):

RepublicBank of Dallas
P.O. Box 2964
Dallas, Texas 75221

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CULL (NASDAQ)

Number of Stores: (at fiscal year end)

1984	122	1981	151
1983	132	1980	150
1982	157		

Sales and Earnings

	Net Revenues	Net Income
1984	$1,228,240,000	$ 12,577,000
1983	1,126,638,000	13,854,000
1982	1,062,081,000	13,032,000
1981	974,934,000	13,645,000
1980	864,974,000	11,290,000

	No. of Com. Shares	Earn. per Share #
1984	8,186,896	$1.53
1983	4,089,728	1.69
1982	4,087,958	1.59
1981	3,400,557	1.67
1980	2,788,651	1.39

Based on the weighted average number of common shares outstanding adjusted to reflect stock dividends and stock split.

Revenues By Line of Business

	1984	1983
Retail	$1,130,925,000	$1,037,626,000
Manufacturing	97,315,000	89,012,000
Total	$1,228,240,000	$1,126,638,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.56	—	—
1983	0.50	—	2-for-1
1982	0.50	—	—
1981	0.41	20%	—
1980	0.35	20%	—

+ Adjusted to reflect stock dividends and stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1984	$ 93,702,000	$11.45
1983	85,616,000	10.47
1982	75,809,000	9.28
1981	66,729,000	8.17
1980	56,074,000	6.97

‡ After allowing for preferred stock at liquidation value of $24 per share.
† Adjusted to reflect stock split.

Income Account *

Year ended	6/30/84	6/25/83
Net revenues	$1,228,240,000	$1,126,638,000
Cost of revenues	952,203,000	875,412,000
Expenses	245,842,000	219,662,000
Interest expense	8,873,000	8,316,000
Income before taxes	$ 21,322,000	$ 23,248,000
Income taxes	8,745,000	9,394,000
Net Income	$ 12,577,000	$ 13,854,000

* Included in Costs and Expenses, Depreciation and Amortization: $17,282,000 in 1984 and $15,735,000 in 1983.

Assets

As of	6/30/84	6/25/83
Cash	$ 10,046,000	$ 7,114,000
Accts. receiv., net	8,234,000	9,451,000
*Inventories	67,391,000	64,299,000
Prepaid expenses & other assets	2,056,000	1,703,000
Current Assets	$ 87,727,000	$ 82,567,000
Investments	2,910,000	3,876,000
Invest. in tax benefit lease	2,454,000	4,705,000
#Fixed assets	136,693,000	131,955,000
Other assets	6,729,000	6,881,000
Total Assets	$ 236,513,000	$ 229,984,000

Liabilities

Long-term debt, curr	$ 3,255,000	$ 3,554,000
Notes payable	—	2,789,000
Accts. payable	39,340,000	34,368,000
Accruals	18,114,000	15,435,000
Fed. income tax	2,894,000	1,092,000
Curr. Liabilities	$ 63,603,000	$ 55,054,000
Long-term debt		
Unsecured notes	26,257,000	37,249,000
Retail est. oblig	12,566,000	9,971,000
Oblig. under cap. leases	31,436,000	34,431,000
Reserves	239,000	520,000
Deferred inc. taxes	8,661,000	7,094,000
+ Preferred stock	33,000	33,000
+ + Common stock	8,187,000	4,090,000
Add. paid-in capital	48,687,000	52,690,000
Retained earnings	36,844,000	28,852,000
Total Liabilities & Shareholders' Equity	$ 236,513,000	$ 229,984,000

* At lower of cost (LIFO) or market

# Less accumulated depreciation and amortization

+ $16 par value

+ + $1 par value

Statistical Summary

%Income bef. Taxes to Revenues	1.74	2.06
%Net Income to Revenues	1.02	1.23
%Net Income to Equity	13.42	16.17
Working Capital	$24,124,000	$27,513,000
Current Ratio	1.38	1.50
Shareholders' Equity	$93,751,000	$85,665,000

Cyclops Corporation

650 Washington Road
Pittsburgh, Pennsylvania 15228
(412) 343-4000

Officers: William H. Knoell, president & chief executive officer; James F. Will, exec. v.p. & president-Industrial Group; Barry H. Feinberg, v.p.-Retail Group; William D. Dickey, sr. v.p.; Robert A. Kushner, v.p., general counsel & secretary; Donald E. Mitchell, v.p. & controller; David N. Smith, v.p.-corporate development; Hubert W. Delano, v.p.-public relations; Joseph P. Enis, treasurer; Robert J. Tate, asst. secretary

Directors: Howard J. Burnett, William D. Dickey, Thomas Phillips Johnson, William H. Knoell, H. Frederick Krimendahl, II, William E. Lieser, Leonor F. Loree, II, William L. Mobraaten, Konrad M. Weis, Howard M. Winterson, James F. Will

Business Activities: Engaged in three major business lines: steel products-including specialty, carbon, galvanized, and silicon steels and tubular products; industrial and commercial construction products and services-including metal wall and roof systems; and specialty retailing.

Retail Divisions:

Busy Beaver Building Centers, Inc.
641 Alpha Drive
Pittsburgh, Pennsylvania 15238
(412) 963-1980

Retail and contractor building materials and supplies and home remodeling services. Busy Beaver operates 10 home-improvement centers in Pennsylvania and Ohio.

Silo Division
6900 Lindbergh Boulevard
Philadelphia, Pennsylvania 19142
(215) 365-2000

Retailer of home appliances, television sets, and audio products, operating 97 stores throughout the U.S.

Transfer Agent(s):

Mellon Bank, N.A.
Pittsburgh, Pennsylvania

Stock Exchange(s): New York

Ticker Symbol: CYL

Number of Stores: (at fiscal year end)

1984	107	1981	81
1983	99	1980	82
1982	87		

Sales and Earnings

	Net Sales	Net Income
1984	$1,271,593,000	$ 18,434,000
1983	1,024,114,000	(2,190,000)
1982	873,165,000	(11,921,000)
1981	1,031,414,000	21,384,000
1980	978,976,000	20,407,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	3,762,432	$ 4.82
1983	3,517,542	—
1982	3,442,448	—
1981	3,355,712	6.21
1980	3,207,687	6.14

(Loss)

‡ Based on the average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Steel prods	$ 772,546	$ 642,924
Industrial & commercial construction prods. & serv	108,824	69,799
Specialty retailing	404,433	319,973
Interseg. sales	(14,210)	(8,582)
Total	$ 1,271,593	$ 1,024,114

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.10		—
1983	1.10	—	—
1982	1.10	—	—
1981	1.30	—	—
1980	1.26	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1984	$ 188,500,000	$ 49.67
1983	167,157,000	47.52
1982	170,288,000	49.47
1981	186,020,000	55.43
1980	164,460,000	51.27

‡ After allowing for preferred stock at involuntary liquidation preference.

† Based on the average number of common shares and common share equivalents outstanding.

Income Account
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 1,271,593	$ 1,024,114
Cost of sales	1,096,512	904,461
Expenses	116,283	99,863
Depreciation	17,731	17,849
Interest expense	11,105	8,388
Inc. (loss) bef. taxes	$ 29,962	$ (6,447)
Inc. taxes (credit)	11,528	(4,257)
Net Income (Loss)	$ 18,434	$ (2,190)

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 1,358	$ (832)
Receivables, net	147,137	128,074
Refundable income taxes	—	3,614
*Inventories	190,542	158,304
Prepaid expenses & income taxes	13,871	11,605
Current Assets	$ 352,908	$ 300,765
#Fixed assets	168,052	164,470
Other assets	10,148	12,528
Total Assets	$ 531,108	$ 477,763

Liabilities
(000's)

Short-term loans	$ 3,000	$ 8,000
Long-term debt, curr	1,048	4,400
Accts. payable	71,221	67,257
Emp. costs	61,748	54,248
Taxes	10,583	9,072
Def. serv. rev	9,114	6,690
Other liabilities	17,004	8,967
Curr. Liabilities	$ 173,718	$ 158,634
Long-term debt	98,843	92,597
Deferred inc. taxes	17,896	11,134
Exc. of vested pension ben	7,358	7,660
Liab. resulting from discont. oper	27,385	26,715
Minority interest	12,140	8,338
+ Preferred stock		
Series A	22	24
Series B	134	137
+ Common stock	4,098	3,877
Add. paid-in capital	45,249	38,426
Retained earnings	151,316	137,287
Treasury stock	(7,051)	(7,066)
Total Liabilities & Shareholders' Equity	$ 531,108	$ 477,763

* At lower of cost (LIFO) or market

# Less accumulated depreciation

+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	2.36	—
%Net Income to Sales	1.45	—
%Net Income to Equity	9.51	—
Sales to Inventories	6.67	6.47
Working Capital	$179,190,000	$142,131,000
Current Ratio	2.03	1.90
Shareholders' Equity	$193,768,000	$172,685,000

Danners, Inc.

6060 North Guion Road
P.O. Box 1146
Indianapolis, Indiana 46206
(317) 291-8011

Officers: Ray J. Danner, vice chairman; Mark S. Danner, president & chief operating officer; Christopher K. Danner, v.p.-adm.; David C. Danner, v.p.-store planning; Norman A. Spradlin, v.p.-operations & secretary; Richard Stout, pres.-Damax Int'l; A. Wallace Williams, v.p.-real estate; David E. Brown, v.p.-management info. systems; Jay S. Danner, v.p.-specialty stores division; Paul J. Edwards, asst. v.p.-distribution; W. Thomas Fennell, Bruce M. Sherwood, James C. Weddle, 3D div. v.p.'s & merch. mgrs.; Neil Bennett, exec. v.p. & gen. mgr.-3D div.; Thomas A. Grawe, asst. treasurer & controller; Patricia J. Harper, 3D div. v.p.-advertising and promotion; Jon C. Jolivette, FSC div. v.p. & gen. mgr.; Robert C. Bolsinger, treasurer; Robert L. Rogers, variety div. v.p. & gen. mgr.

Directors: Max S. Danner, Ray J. Danner, Richard M. Miller, Robert S. Ashby, Norman A. Spradlin, Robert H. Reynolds, L. Gene Tanner, Mark S. Danner, A. Wallace Williams, Neil Bennett.

Business Activities: Operates a chain of discount (3D Discount Stores) and variety stores as well as a chain of cafeterias under the names Cambridge Inn and Danner Bros. Restaurant. These units are located in Indiana, Illinois, Ohio, and Michigan.

Divisions and Subsidiaries:

Discount Division
Variety Division
Restaurant Division
FSC Div.-Danners Craft Stores
3D Discount Store Division
Frame-Stationery-Crafts Stores Division
Damax International, Inc.

Transfer Agent(s):

American Fletcher National Bank
and Trust Company
Indianapolis, Indiana

The First National Bank of Chicago
Chicago, Illinois

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DNNR (NASDAQ)

Number of Stores: (at fiscal year end)

	Discount Stores	Variety Stores	Restaurants	FSC Stores
1984	35	12	13	7
1983	35	12	21	—
1982	35	23	17	—
1981	34	23	19	—
1980	29	27	20	—

Sales and Earnings

	Net Sales	Net Income
1984*	$ 189,022,000	$ 238,000
1983	166,065,899	(895,116)
1982	163,217,583	449,248
1981	143,446,215	860,884
1980	118,269,792	(386,351)

	No. of Com. Shares ‡	Earn. per Share ‡
1984*	488,295	$ 0.49
1983	488,295	—
1982	488,295	0.92
1981	494,224	1.74
1980	585,822	—

(Loss)
*53 weeks
‡ Based on the average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.20	—	—
1983	0.10	—	—
1982	0.20	—	—
1981	0.20	—	—
1980	0.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 10,430,000	$ 21.36
1983	10,289,534	21.07
1982	11,233,480	23.01
1981	10,881,891	22.02
1980	10,352,666	17.67

‡ Based on the average number of common shares and common share equivalents outstanding.

Income Account

Year ended	2/2/85 (53 weeks)	1/28/84
Net sales	$ 189,022,000	$ 166,065,899
Other income	1,296,000	1,357,189
Total income	$ 190,318,000	$ 167,423,088
Cost of sales	137,783,000	119,963,764
Expenses	45,170,000	42,867,624
Depreciation & amortization	2,517,000	2,335,727
Interest expense	4,461,000	3,754,089
Inc. (loss) bef. taxes	$ 387,000	$ (1,498,116)
Income tax (credit)	149,000	(603,000)
Net Income (Loss)	$ 238,000	$ (895,116)

Assets

As of	2/2/85	1/28/84
Cash	$ 50,000	$ 1,139,133
*Inventories	41,020,000	35,462,034
Recoverable fed income taxes	—	687,445
Prepaid expenses	2,680,000	1,329,366
Current Assets	$ 43,750,000	$ 38,617,978
#Fixed assets	18,888,000	19,544,479
Other assets	3,078,000	3,335,504
Total Assets	$ 65,716,000	$ 61,497,961

Liabilities

Notes payable	$ 17,525,000	$ 9,800,000
Accts. payable	11,192,000	11,832,104
Accrued payroll	909,000	739,830
Other accruals	684,000	890,197
Local taxes	1,517,000	1,189,138
Income taxes	16,000	—
Long-term debt, curr.	2,446,000	2,503,990
Curr. Liabilities	$ 34,289,000	$ 26,955,259
Def. inc. taxes	9,000	—
Long-term debt	14,619,000	17,613,380
Cap. lease oblig.	6,369,000	6,639,788
+ Common stock	1,748,000	1,747,644
Retained earnings	8,682,000	8,541,890
Total Liabilities & Shareholders' Equity	$ 65,716,000	$ 61,497,961

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	0.20	—
%Net Income to Sales	0.13	—
%Net Income to Equity	2.28	—
Sales to Inventories	4.61	4.68
Working Capital	$9,461,000	$11,662,719
Current Ratio	1.28	1.43
Shareholders' Equity	$10,430,000	$10,289,534

Dart Drug Corporation

3301 Pennsy Drive
Landover, Maryland 20785
(301) 772-6000

Officers: Herbert H. Haft, chairman of the board, chief executive officer & treasurer; Robert M. Haft, president & chief operating officer; Charles D. Shipe, exec. v.p.; Ben Kovalsky, exec. v.p.; Stephen J. Hansbrough, sr. v.p.-operations; William E. Bolton, v.p.-loss prevention; Richard J. Koll, v.p.-finance & administration, and chief financial officer; Allen D. Nehman, v.p.-merchandising; Thomas J. Ksiazek, v.p.-personnel; Linda G. Haft, v.p.-communications; Robert J. Goldstein, v.p.-store operations; Gloria G. Haft, v.p. & secretary; Robert B. Hirsch, asst. secretary; Dennis N. Weiss, v.p.-real estate; Ronald M. Hirschel, v.p. & asst. secretary; Darryl S. Bryant, asst. v.p. & controller; Norman D. Everett, John DeLuca, Marc H. Serlin, Jimmy Wade, Frank C. Maruca, asst. v.p.'s.

Directors: Herbert H. Haft, Gloria Haft, Robert Haft, Ben S. Kovalsky, Claudine B. Malone, Charles D. Shipe, Warren Tydings.

Business Activities: Operates a chain of discount specialty stores and combination discount drug store-home centers and book stores in Washington, D.C., Maryland and Virginia, California, Illinois and Texas. Also operates book stores under the name of Crown Books and Crown Books West (a joint venture), Trak Auto stores and Total Plus discount stores.

Transfer Agent(s):

Riggs National Bank
Washington, D.C.

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DRUGA (NASDAQ)

Number of Drug Stores:

1984	74

Sales and Earnings ×

	Net Sales	Net Income +
1984	$ 282,940,000	$ 15,325,000
1983	261,525,000	17,412,000
1982	249,195,000	4,170,000
1981	241,765,000	1,385,000
1980	220,274,000	3,565,000

	No. of Com. Shares †	Earn. per Share ‡ +
1984	1,684,389	$ 8.80
1983	1,656,851	10.37
1982	1,641,393	2.51
1981	1,637,538	0.83
1980	1,721,890	2.04

× Restated to reflect equity method of accounting for Crown Books due to 1984 change in ownership percentage.
+ Including extraordinary gain of $8,300,000 ($4.94 per share) in 1983.
‡ Based on the weighted average number of Class A and Class B common stock outstanding.
† Class A and Class B common stock combined.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.13	—	—
1983	0.13	—	—
1982	0.13	—	—
1981	0.13	—	—
1980	0.13	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 89,442,000	$ 53.10
1983	47,892,000	28.91
1982	30,555,000	18.62
1981	26,536,000	16.20
1980	26,080,000	15.15

‡ Based on Class A and Class B common stock combined.

Income Account
(000's)

Year ended Jan 31	1984	1983 ‡
Net sales	$ 282,940	$ 261,525
Other income	8,320	4,499
Total income	$ 291,260	$ 266,024
Cost of sales	212,740	204,056
Expenses	38,750	39,054
Depreciation & amortization	4,140	4,009
Interest expense	2,871	2,224
Income before taxes	$ 32,759	$ 16,681
Income taxes	15,115	8,725
Eq in loss (income) of affil	1,077	(1,156)
Minority interest	1,242	—
Net Income	$ 15,325	$ 9,112
Extraord gain	—	8,300
Net Income & Extraord Gain	$ 15,325	$ 17,412

‡ Restated

Assets
(000's)

As of Jan 31	1984	1983 ‡
Cash	$ 57,421	$ 34,568
Market secur	30,631	—
Accts receiv , net	4,941	1,978
*Inventories	43,015	36,997
Other curr assets	486	572
Current Assets	$ 136,494	$ 74,115
●Fixed assets	24,393	23,258
Def inc taxes	231	—
Other assets	707	441
Invest in affil	1,279	2,356
Total Assets	$ 163,104	$ 100,170

Liabilities
(000's)

Long-term debt, curr	$ 400	$ 400
Accts payable	22,358	17,937
Inc taxes payable	617	2,542
Accrued payable	4,919	4,820
Accrued taxes	1,338	1,255
Other accruals	5,925	5,044
Oblig under cap leases, curr	2,569	1,910
Curr Liabilities	$* 38,126	$ 33,908
Long-term debt	1,091	1,500
Oblig under cap leases	17,478	16,153
Deferred income taxes	—	717
Minority interest	16,967	—
+ Common stock		
Class A	1,584	1,556
Class B	303	303
Add paid-in capital	32,153	5,775
Retained earnings	57,151	42,007
Treasury stock	(1,749)	(1,749)
Total Liabilities & Shareholders' Equity	$ 163,104	$ 100,170

‡ Restated
* At lower of cost (LIFO) or market
● Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

%Income bef Taxes to Sales	11.58	6.38
%Net Income to Sales	5.42	3.48
%Net Income to Equity	17.13	19.03
Sales to Inventories	6.58	7.07
Working Capital	$98,368,000	$40,207,000
Current Ratio	3.58	2.19
Shareholders' Equity	$89,442,000	$47,892,000

Dayton Hudson Corporation

777 Nicollet Mall
Minneapolis, Minnesota 55402
(612) 370-6948

Officers: William A. Andres, chairman of the executive committee; Kenneth A. Macke, chairman of the board & chief executive officer; Boake A. Sells, president; P. Gerald Mills, exec. v.p.; James T. Hale, sr. v.p. & secretary; John F. Kilmartin, Edwin H. Wingate, Reid Johnson, Willard C. Shull, III, sr. v.p.'s; Peter Corcoran, Peter Hutchinson, Ann H. Barkelew, Larry E. Carlson, Thomas M. Etzkorn, Harry M. Jackson, L. Fred Hamacher, David W. Beckley, v.p.'s; Karol D. Emmerich, v.p. & treasurer; William E. Harder, v.p. & asst. secretary; William P. Hise, asst. secretary.

Directors: William A. Andres, Donald J. Hall, Kenneth A. Macke, Howard H. Kehrl, David T. McLaughlin, Bruce K. MacLaury, William H. Spoor, Roger L. Hale, Shirley Young, Rand V. Araskog, Alva O. Way, Robert A. Burnett, E. Peter Gillete, Jr., Gerald R. Gallagher.

Business Activities: Operates department stores, low margin stores, softline stores and specialty stores. These operations are located in 48 states, Washington, D.C. and Puerto Rico.

Divisions and Subsidiaries:

Department Stores

Dayton Hudson Department Store Company
Minneapolis, Minnesota
Operates 54 department stores

Diamond's
4501 E. Thomas Road
Phoenix, Arizona 85018
(602) 959-4400
Twelve stores located in Arizona and Nevada

John A. Brown
213 W. Main Street
Oklahoma City, Oklahoma 73102
(405) 232-1231
Six stores in Oklahoma

Low Margin Stores

Target
777 Nicollet Mall
Minneapolis, Minnesota 55402
(612) 370-6073
Stores located in 20 Midwestern and Western states

Specialty Stores

Lechmere
88 1st Street
Cambridge, Massachusetts 02141
(617) 491-2000
Six stores in Massachusetts and New Hampshire

B. Dalton Bookseller
9430 James Avenue South
Minneapolis, Minnesota 55431
(612) 884-2311
701 stores located in 37 states and Puerto Rico

Softlines Stores

Mervyn's
25001 Industrial Boulevard
Hayward, California 94545
(415) 785-8800
Nationally branded and private label apparel, accessories and household softgoods.

Transfer Agent(s):

Norwest Bank Minneapolis, N.A.
Minneapolis, Minnesota

Norwest Trust Company
New York, New York

Stock Exchange(s): New York, Pacific

Ticker Symbol: DH

Number of Stores: (at fiscal year end)

	Dept. Stores	Target Stores	Specialty Stores	Mervyn's Stores
1984	36	215	729	126
1983	54	205	707	109
1982	54	167	668	92
1981	54	151	640	80
1980	50	137	525	69

Sales and Earnings

	Net Sales ‡ (000's)	Net Income (000's)
1985	$ 8,009,000	$ 259,300
1984	6,963,300	245,500
1983	5,660,700	206,700
1982	4,942,900	173,400
1981	4,033,500	146,700

	No. of Com Shares +	Earn. per Share +
1985	96,892,000	$ 2.68
1984	96,601,000	2.54
1983	96,220,000	2.15
1982	95,788,000	1.18
1981	95,212,000	1.54

‡ Of continuing operations only.
+ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1985	1984
Department	$ 1,547,800	$ 1,483,900
Target	3,550,100	3,118,400
Specialty	770,000	672,100
Mervyn's	2,141,100	1,688,900
Total	$ 8,009,000	$ 6,963,300

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.695	—	—
1984	0.625	—	2-for-1
1983	0.575	—	—
1982	0.525	—	2-for-1
1981	0.475	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity (000's)	Equity Per Share +
1985	$ 1,736,502	$ 17.92
1984	1,540,179	15.94
1983	1,348,763	14.02
1982	1,191,556‡	12.44
1981	1,064,099‡	11.18

‡ After allowing for preferred stock at liquidation value of $100 per share.
+ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account
(000's)

Year ended	2/2/85	1/28/84
Revenues	$ 8,309,030	$ 6,963,255
Cost of sales	5,709,483	4,924,887
Expenses	1,310,042	1,160,472
Depreciation	148,453	125,471
Rental expense	102,904	96,593
Interest exp.	81,457	71,449
Interest & depreciation on capital leases	24,333	22,406
Other taxes	136,239	111,307
Unusual expenses	16,777	—
Income before taxes	$ 479,342	$ 450,670
Income taxes	219,996	205,213
Net Income	$ 259,346	$ 245,457

Assets
(000's)

As of	2/2/85	1/28/84
Cash	$ 59,462	$ 47,571
Market. securities	2,500	71,350

Accts. receiv., net	995,967	954,840
*Inventories	1,103,922	998,711
Other current assets	19,267	21,354
Current Assets	$ 2,181,118	$ 2,093,826
Fixed assets	1,490,958	1,370,610
Leased prop. under cap. leases	114,733	115,776
Non-curr. assets of discont. segment	13,041	14,707
Total Assets	$ 3,799,850	$ 3,594,919

Liabilities
(000's)

Long-term debt curr. & cap. lease oblig.	$ 10,356	$ 8,664
Accts. payable	611,490	612,861
Accruals	322,541	332,156
Income taxes	104,302	107,186
Deferred income taxes	159,679	164,394
Curr. Liabilities	$ 1,208,368	$ 1,225,261
Long-term debt	625,442	626,824
Long-term cap. lease oblig.	125,197	123,935
Deferred income taxes	104,341	78,720
+ Common stock	96,992	96,793
Add. paid-in capital	9,490	5,343
Retained earnings	1,630,020	1,438,043
Total Liabilities & Shareholders' Equity	$ 3,799,850	$ 3,594,919

* Using the retail inventory method (LIFO)
# Less accumulated depreciation
+ $1 par value

Statistical Summary

%Net Income to Equity	14.93	15.94
Sales to Inventories	7.26	6.97
Working Capital	$ 972,750,000	$ 868,565,000
Current Ratio	1.81	1.71
Shareholders' Equity	$1,736,502,000	$1,540,179,000

Dillard Department Stores, Inc.

900 West Capitol Avenue
Little Rock, Arkansas 72201
(501) 376-5200

Mailing Address:

Post Office Box 486
Little Rock, Arkansas 72203

Officers: William Dillard, chairman of the board & chief exec. officer; William Dillard II, president & chief operating officer; E. Ray Kemp, vice chairman of the board & chief administrative officer; Alex Dillard, Mike Dillard, exec. v.p.'s; J.K. Jameson, III, v.p. & secretary-treasurer; Don C. Bradley, G. Kent Burnett, Wynelle Chapman, Drue Corbusier, Charles E. Franzke, J.M. Gus Hannahs, T.R. Gastman, Louis V. McGaugh, C.F. Plunkett, J.B. Wilson, W.R. Appleby, Harry W. Passow, J.W. Sherburne, David M. Doub, Dick Roberds, Burt Squires, Jan E. Bolton, Joe Brennan, A.B. Cannon, William Cummins, Charles A. Hobbs, Richard Maney, Kathy Mayes, M.E. Ritchie, Jr., David Sanguinetti, Joseph W. Story, vice presidents.

Directors: William Dillard, chairman; John K. Riedy, Will D. Davis, William Dillard II, E. Ray Kemp, A.C.R. Dreesmann, Clarence Barksdale, John C. Whitehead, Alexander Dillard, Orson C. Clay, J. Michael Dillard, Anne M. McCarthy, B. Finley Vinson, James D. Berry, G. Larry Kelley.

Business Activities: Operates department stores in Arkansas, Tennessee, Texas, New Mexico, Oklahoma, Missouri, Kansas and Louisiana.

Transfer Agent(s):

Centerre Trust Company
St. Louis, Missouri

Stock Exchange(s): American

Ticker Symbol: DDSA

Number of Stores: (at fiscal year end)

1985	93	1982	56
1984	66	1981	50
1983	65		

Sales and Earnings

	Net Sales ‡	Net Income
1984*	$1,277,380,000	$ 49,558,000
1983	847,485,000	34,139,000
1982	711,323,000	21,956,000
1981	592,867,000	16,259,000
1980	470,733,335	8,506,572

	No. of Com. Shares #	Earn. per Share #
1984*	13,657,288	$ 3.63
1983	12,346,218	2.76
1982	11,766,956	1.86
1981	11,745,032	1.38
1980	11,744,376	0.72

* 53 weeks.
‡ Includes leased departments.
# Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1984	$0.175	—	2-for-1
1983	0.15	—	—
1982	0.10	—	2-for-1
1981	0.10	—	—
1980	0.10	—	—

# Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity +	Equity Per Share #
1984	$ 297,913,000	$ 20.49
1983	185,113,000	14.72
1982	136,851,000	11.62
1981	115,963,000	9.88
1980	100,900,243	8.59

Based on the weighted average number of shares outstanding adjusted to reflect stock splits.
+ After allowing for preferred stock at par value.

Income Account

Year ended	2/2/85	1/28/84
Net sales	$1,277,280,000	$ 847,485,000
Other income	40,924,000	29,223,000
Total Income	$1,318,204,000	$ 876,708,000
Cost of sales	811,522,000	532,058,000
Expenses	325,624,000	218,938,000
Depreciation & amortization	30,435,000	22,380,000
Rentals	25,295,000	20,326,000
Interest & debt expenses	37,720,000	23,067,000
Income before taxes	$ 87,608,000	$ 59,939,000
Income taxes	38,050,000	25,800,000
Net Income	$ 49,558,000	$ 34,139,000

Assets

As of	2/2/85	12/28/84
Cash	$ 28,599,000	$ 23,148,000
Accts. receiv., net	34,882,000	18,909,000
Other receiv.	54,335,000	38,999,000
*Inventories	252,239,000	150,829,000
Prepaid expenses & supplies	1,886,000	1,153,000
Current Assets	$ 371,941,000	$ 233,038,000
Investments & other assets	38,814,000	22,507,000
#Fixed assets	325,736,000	182,921,000
Building under cap. leases	11,696,000	12,644,000
Total Assets	$ 748,187,000	$ 451,110,000

Liabilities

Long-term debt, curr.	$ 18,069,000	$ 4,000,000
Cap. lease oblig., curr.	836,000	919,000
Accts. payable & accruals	134,102,000	89,489,000
Income taxes	13,813,000	11,966,000
Deferred inc. taxes	45,738,000	28,551,000
Curr. Liabilities	$ 212,558,000	$ 134,925,000
Long-term debt	194,661,000	93,034,000
Cap. lease oblig.	15,575,000	16,411,000
Deferred inc. taxes	27,040,000	21,187,000
+ Preferred stock	440,000	440,000
+ + Common stock	36,508,000	31,590,000
Add. paid-in capital	99,687,000	38,967,000
Retained earnings	161,986,000	114,824,000
Treasury stock	(268,000)	(268,000)
Total Liabilities & Shareholders' Equity	$ 748,187,000	$ 451,110,000

* Lower of cost (LIFO) or market.
# Less accumulated depreciation & amortization.
+ $100 par value; 5% cumulative.
+ + No par value.

Statistical Summary

%Income bef. Taxes to Sales	6.86	7.07
%Net Income to Sales	3.88	4.03
%Net Income to Equity	16.61	18.40
Sales to Inventories	5.06	5.62
Working Capital	$159,383,000	$ 98,113,000
Current Ratio	1.75	1.73
Shareholders' Equity	$298,353,000	$185,553,000

Dollar General Corporation

427 Beech Street
Scottsville, Kentucky 42164
(502) 237-5444

Officers: Cal Turner, chairman of the board; Cal Turner, Jr., president; Steve Turner, exec. v.p.; Edward Burke, vice president-finance; Bob Carpenter, v.p.-administrations; Jim Barton, vice president-retail operations.

Directors: Cal Turner, Cal Turner, Jr., Robert C. Clinard, Hubert Craddock, Steve Turner, Lawrence A. Apples Edward Burke, Herb Wardlow.

Business Activities: Engaged in the sale of merchandise at retail through company owned soft goods stores and at wholesale to affiliated retail stores. Those stores are located in 23 states in the Southeast, with the strongest concentration in Kentucky and Tennessee. Most are operated under the name "Dollar General Stores". Most of the affiliated retail stores for which the company is wholesaler are operated pursuant to franchise agreements. The company also wholesales merchandise to independently owned stores which operate under names other than Dollar General ("Associate Stores").

Transfer Agent(s):

Third National Bank
Stock Transfer Department
Second Floor
170 Fourth Avenue North
Nashville, Tennessee 37219

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DOLR (NASDAQ)

Number of Stores: (at fiscal year end)

	Franchise & Owned Units	Assoc. Stores
1984	1,080	48
1983	1,127	57

1982	823	60
1981	761	65
1980	722	63

Sales and Earnings

	Net Sales	Net Income
1984	$ 480,514,000	$ 20,598,000
1983	346,655,000	15,126,000
1982	290,069,000	11,333,000
1981	245,453,000	7,208,000
1980	209,753,000	5,852,000

	No. of Com. Shares +	Earn. per Share #
1984	15,651,000	$ 1.32
1983	15,655,024	0.97
1982	15,619,528	0.73
1981	15,625,056	0.46
1980	15,725,436	0.37

+ Adjusted to reflect stock dividends and stock splits.
# Based on the weighted average number of shares outstanding adjusted to reflect stock dividends and stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.20	—	—
1983	0.16	—	2-for-1
1982	0.13	10%	2-for-1
1981	0.11	10%	—
1980	0.07	—	—

+ Adjusted to reflect stock dividends and stock splits.

Common Stock Equity

	Total Equity	Equity Per Share‡
1984	$ 93,916,000	$ 6.00
1983	76,582,000	4.89
1982	63,825,000	4.09
1981	54,580,000	3.49
1980	49,375,000	3.14

‡ Adjusted to reflect stock dividends and stock splits.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 480,514,000	$ 346,655,000
Cost of sales	337,029,000	244,094,000
Expenses	99,341,000	71,077,000
Interest expense	4,146,000	1,808,000
Income before taxes	$ 39,998,000	$ 29,676,000
Income taxes	19,400,000	14,550,000
Net Income	$ 20,598,000	$ 15,126,000

* Included in Costs and Expenses. Depreciation: $2,971,000 in 1984 and $2,153,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash & cash equiv.	$ 4,681,000	$ 15,863,000
*Inventories	142,264,000	113,903,000
Other assets	2,530,000	5,430,000
Current Assets	$ 149,475,000	$ 135,196,000
#Fixed assets	18,509,000	15,326,000
Other assets	5,979,000	3,777,000
Total Assets	$ 173,963,000	$ 154,299,000

Liabilities

Long-term debt, curr.	$ 875,000	$ 5,364,000
Accts. payable & accruals	42,650,000	26,997,000
Income taxes	5,760,000	7,858,000
Curr. Liabilities	$ 49,285,000	$ 40,219,000
Long-term obligations	26,950,000	35,720,000
Deferred inc. taxes	3,812,000	1,778,000
+Common stock	9,226,000	9,226,000
Add. paid-in capital	22,250,000	22,236,000
Retained earnings	64,760,000	47,293,000
Treasury stock	(2,320,000)	(2,173,000)
Total Liabilities & Shareholders' Equity	$ 173,963,000	$ 154,299,000

* At cost (LIFO) using the retail method, which is not in excess of market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.32	8.56
%Net Income to Sales	4.29	4.36
%Net Income to Equity	21.93	19.75
Sales to Inventories	3.38	3.04
Working Capital	$100,190,000	$94,977,000
Current Ratio	3.03	3.36
Shareholders' Equity	$ 93,916,000	$7o,582,000

Duckwall-ALCO Stores, Inc.

401 Cottage Street
Abilene, Kansas 67410
(913) 263-3350

Officers: A.L. Duckwall, Jr., chairman of the board; R.R. Soelter, president & chief executive officer; Gary Lowry, v.p.-finance; C.L. Verble, vice president-real estate; J.E. Schoenbeck, v.p.-admin.; L.H. Johnsen, v.p.-operations; Dennis Alesio, v.p.-personnel; Charles E. Bogan, v.p.-legal, gen. counsel & secretary; Steve Marsh, controller; Dale Morris, Glen Shank, v.p.'s-merchandise.

Directors: A.L. Duckwall, Jr., Charles E. Bogan, Philip R. Ciarke, Jr., R.R. Soelter, G.W. Lowry, D.C. Ferguson, Dave Grunfest, Jr., Jordan L. Haines, Thomas E. Johnston, A.L. Mayersohn, Sr.

Business Activities: Operates Duckwall Variety Stores and ALCO Discount Stores in the nine-state area of Kansas, Colorado, New Mexico, Iowa, Texas, Nebraska, Minnesota, South Dakota, and Wyoming.

Transfer Agent(s):

The Continental Illinois National Bank and Trust Company
Chicago, Illinois

The Fourth National Bank and Trust Company
Wichita, Kansas

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DUCK (NASDAQ)

Number of Stores: (at fiscal year end)

1984	160	1981	109
1983	114	1980	106
1982	115		

Sales and Earnings

	Net Sales	Net Income
1984	$ 317,065,140	$ 8,624,892
1983	216,282,560	4,313,325
1982	199,103,299	2,775,919
1981	174,565,443	3,286,218
1980	172,785,639	4,316,634

	No. of Com. Shares +	Earn. per Share ‡
1984	4,962,995	$ 1.98
1983	3,386,807	1.28
1982	3,344,999	0.83
1981	3,330,848	0.99
1980	3,309,762	1.31

‡ Based on the average number of shares outstanding adjusted to reflect stock dividends and stock split.
+ Adjusted to reflect stock dividends and stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.27	—	3-for-2
1983	0.27	—	—
1982	0.25	10%	—
1981	0.21	25%	—
1980	0.17	25%	—

+ Adjusted to reflect stock dividends and stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 67,719,093	$ 13.64
1983	34,981,459	10.33
1982	31,386,752	9.38
1981	29,387,325	8.82
1980	26,729,817	8.07

+ Adjusted to reflect stock dividends and stock split.

Income Account

Year ended Jan. 31	1984	1983
Net sales	$ 317,065,140	$ 216,282,560
Cost of sales	219,203,352	148,414,804
Expenses	71,528,986	50,845,679
Depreciation & amortization	1,805,699	1,323,287
Prof. sh. plan	1,712,632	1,074,793
Interest expense	2,047,036	1,623,799
Int. on cap. lease oblig.	2,351,969	2,383,154
Amort. of prop. under cap leases	2,233,574	2,418,719
Income before taxes	$ 16,181,892	$ 8,198,325
Income taxes	7,557,000	3,885,000
Net Income	$ 8,624,892	$ 4,313,325

Assets

As of Jan. 31	1984	1983
Cash	$ 9,893,988	$ 5,235,474
Accts. receiv., net	1,643,846	430,394
*Inventories	93,156,524	52,648,764
Prepaid expenses	579,948	299,020
Current Assets	$ 105,274,306	$ 58,613,652
#Fixed assets	17,641,201	16,471,127
Prop. under cap leases	21,266,849	22,658,409
Deferred inc. taxes	763,000	1,082,000
Total Assets	$ 144,945,356	$ 98,825,188

Liabilities

Long-term debt, curr.	$ 1,718,844	$ 1,471,237
Cap. lease oblig.	2,216,101	1,968,722
Accts. payable	17,874,137	11,261,062
Accruals	4,284,077	3,010,435
Accrued payroll	4,054,830	2,289,522
Prof. sh. contribution	1,712,632	1,074,793
Income taxes	—	1,297,052
Curr. Liabilities	$ 31,860,624	$ 22,372,823
Long-term debt	19,362,814	16,253,258
Cap. lease oblig.	23,174,519	23,706,635
Unearned rental inc.	501,529	832,065
Other liab.	2,326,780	678,948
+Common stock	12,407,487	5,644,678
Add. paid-in capital	20,529,539	2,031,870
Retained earnings	34,782,067	27,304,911
Total Liabilities & Shareholders' Equity	$ 144,945,356	$ 98,825,188

* At lower of cost (LIFO) or market.
# Less accumulated depreciation & amortization.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales & Rev.	5.10	3.79
%Net Income to Sales & Rev.	2.72	1.99

%Net Income to Equity	12.74	12.33
Sales to Inventories	3.40	4.11
Working Capital	$73,413,685	$36,240,829
Current Ratio	3.30	2.62
Shareholders' Equity	$67,719,093	$34,981,459

Dylex Limited

637 Lake Shore Boulevard West
Toronto, Ontario, M5V 1A8, Canada
(416) 591-7000

Officers: J. F. Kay, chairman of the board; Wilfred Posluns, president; Irving Posluns, exec. v.p. & treasurer; Kenneth Axelrod, v.p.-Manchester Clothing; Gordon Edelstone, v.p.-Tip Top; Irving Levine, v.p.-Fairweather; Sydney Loftus, v.p.-Dylex Real Estate; Paul Mancini, v.p.-Canadian Clothiers; Joel N. Cooper, v.p.-Braemer; Lionel Robins, v.p.-Fairweather; Harry Rosen, v.p.-Harry Rosen Men's Wear; Henry Zagdanski, v.p.-Nu Mode Dress; David Beiles, v.p.-Big Steel Man; James A. Doherty, v.p.-distribution; Donald J. Evans, v.p.-Tip Top; Michael Goulais, v.p.-retail development; Conrad LeDrew, v.p.-Big Steel Man; Mickey Maklin, v.p.-Thrifty's; Stewart Robins, v.p.-Thrifty's; B. Chris Schwartz, v.p.-corp. development; Glenn A. Stonehouse, v.p.-Thrifty's; David Wolpin, v.p.-Big Steel Man; Jerome A. Corngold, v.p.-Tobias Kotzin; Gunter Leverenz, v.p.-distribution; Harry Steinberg, v.p. Fairweather; Donald Williams, secretary.

Directors: Kenneth Axelrod, W. W. Casey, J.A. Corngold, J.F. Kay, S.F. Kay, David Korn, Irving Levine, Sydney Loftus, Irving Posluns, Jack Posluns, Wilfred Posluns, Lionel Robins, Harry Rosen, S.M. Sigel, W.H. Singer, H.J. Stitt, Henry Zagdanski, A.H. Zaldin, Irving Teitlebaum, Richard Rosluns.

Business Activities: Engaged in the specialty merchandising of apparel with women's, men's and family retail clothing stores located throughout Canada. Stores operate under such names as Fairweather, Big Steel Man, Braemar, Suzy Shier/L.A. Express, Tip Top, Harry Rosen, Thrifty's, B.H. Emporium and Bi-Way. Manufactures women's and children' coats and dresses marketed under such brand names as "Young Canadian," "Thunder Bay," "Irving Posluns," "Pic Knit," and "Nu Mode." The Shoe Shoppe, in which Dylex has a 50% interest, operates free standing Rubys and Feathers shoe stores and shoe departments. Dylex holds a 50% interest in Town & Country, a chain of sports and casual women's wear stores.

Divisions and Subsidiaries Retail:

B.H. Emporium Division
637 Lakeshore Boulevard West
Toronto, Ontario, M5V 1A8

Big Steel Man Division
637 Lakeshore Boulevard West
Toronto, Ontario, M5V 1A8

Braemar Division
637 Lakeshore Boulevard West
Toronto, Ontario, M5V 1A8

Canadian Clothiers Division
955 Weston Road
Toronto, Ontario, M6V 3R4

Fairweather
637 Lakeshore Boulevard West
Toronto, Ontario, M5V 1A8

Tip Top Tailors Division
637 Lakeshore Boulevard West
Toronto, Ontario, M5V 1A8

Suzy Shier Inc. (50.1% owned)
1604 St. Regis Boulevard
Dorval, Quebec, H9P 1H6

Bi-Way Stores Limited (100% owned)
115 Commander Blvd.
Scarborough, Ontario, M1S 3M7

Brody's Town & Country (1967) Limited (50% owned)
4100 Weston Road
Toronto, Ontario, M9L 2Y6

Manchester Manufacturing Inc. (42% interest)
Bridge Street
Colebrook, New Hampshire 03576

NBO Stores Inc. (50% interest)
60 Enterprise Avenue
Secaucus, New Jersey 07094

Harry Rosen Inc. (51% owned)
111 Richmond Street West
Toronto, Ontario, M4H 2G4

Target Apparel Division (Intergrated Manufacturing)
965 Weston Road
Toronto, Ontario, M6N 3R4

The Shoe Shoppe Limited (50% owned)
85 Scarsdale Road
Don Mills, Ontario M3B 2R2

Thrifty Riding & Sport Shop Limited (100% owned)
637 Lakeshore Blvd. W.
Toronto, Ontario, M4V 1A8

Weston Apparel Manufacturing Division (Intergrated Manufacturing)
965 Weston Road
Toronto, Ontario, M6N 3R4

Acquisition(s):

Brooks Fashion Stores
The Wet Seal
Foxmoor

Affiliates:

Strathearn House Group Limited
637 Lakeshore Boulevard West
Toronto, Ontario, M5V 1A8

Transfer Agent(s):

National Trust Company, Limited
21 King St. East
Toronto, Ontario, Canada

Stock Exchange(s): Toronto, Montreal

Ticker Symbol: DLX

Number of Stores: (at fiscal year end)

1984	2,500	1981	754
1983	998	1980	695
1982	824		

Sales and Earnings

	Net Sales (000's)	Net Income ‡ (000's)
1984	$ 926,676	$ 41,196
1983	822,404	31,484
1982	549,127	17,273
1981	495,358	16,500
1980	459,237	12,050

	No. of Com. Shares #	Earn. per Share ‡ #
1984	15,563,000	$ 2.65
1983	14,744,000	2.14
1982	11,952,000	1.45
1981	11,902,000	1.39
1980	11,852,000	1.02

‡ Before extraordinary items.
# Based on the average number of common shares and Class A preference shares combined adjusted to reflect stock dividend.

Revenues By Line of Business
(000's)

	1984	1983
Retail	$ 853,734	$ 748,973
Fashion manufacturing	72,942	73,431
Total	$ 926,676	$ 822,404

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$0.50	—	—
1983	0.395	—	—
1982	0.26	100%	—
1981	0.25	—	—
1980	0.20	—	—

‡ On Class A shares; adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share‡
1984	$ 225,636,000	$ 14.50
1983	190,221,000	12.22
1982	110,627,000	9.26
1981	96,462,000	8.07
1980	81,979,000	6.92

‡ Based on the number of common shares and Class A preference shares combined adjusted to reflect stock dividend.

Income Account
(000's)

Year ended	2/2/85	1/28/84
Net sales	$ 926,676	$ 822,404
Cost of sales	845,817	749,100
Depreciation & amortization	16,010	14,188
Interest expense (income)	(1,205)	1,910
Income before taxes	$ 66,054	$ 57,276
Income taxes	30,715	26,618
Inc. from invest.	(7,345)	(2,893)
Minority interest	1,488	2,067
Net Income	$ 41,196	$ 31,484

Assets
(000's)

As of	2/2/85	1/28/84
Cash & short-term deposits	$ 87,878	$ 111,325
Accts. receiv., net	16,363	15,811
Sundry debtors	2,360	1,838
*Inventories	130,139	108,636
Prepaid expenses	2,642	2,165
Current Assets	$ 239,382	$ 239,775
Investments	99,801	17,950
#Fixed assets	42,527	40,547
Leased assets under cap. leases	49,648	40,352
Intangibles	14,361	14,705
Total Assets	$ 445,719	$ 353,329

Liabilities
(000's)

Long-term debt, curr	$ 1,729	$ 2,031
Accts. payable & accruals	91,383	79,441
Income & other taxes	12,760	8,966
Oblig. under cap. leases, curr	10,298	8,658
Curr. Liabilities	$ 116,170	$ 99,096
Long-term debt	56,183	23,601
Oblig. under cap. leases	37,698	29,643
Minority interest	8,401	7,349
Deferred inc. taxes	1,631	3,419
+ Common stock	1,687	1,690
+ Class A stock	83,840	83,837
Add. paid-in capital	1,501	1,523
Ex. trans. adjust.	2,001	—
Retained earnings	136,607	103,171
Total Liabilities & Shareholders' Equity	$ 445,719	$ 353,329

* At lower of cost and net realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	7.13	6.96
%Net Income to Sales	4.45	3.83

%Net Income to Equity	18.26	16.55
Sales to Inventories	7.12	7.57
Working Capital	$123,212,000	$140,679,000
Current Ratio	2.06	2.42
Shareholders' Equity	$225,636,000	$190,221,000

Edison Brothers Stores, Inc.

400 Washington Avenue
P.O. Box 14020
St. Louis, Missouri 63178
(314) 331-6000

Officers: Julian I. Edison, chairman of the board; Bernard A. Edison, president; Andrew E. Newman, exec. vice president; Eric P. Newman, exec. v.p. & secretary; vice presidents: G. Richard Oscarson-real estate, Bernard W. Colton-architecture & construction, Michael H. Freund-administration, Walter H. Heinecke-real estate, Arthur J. Hollenbach-traffic manager, George M. Spreiser-distribution centers, Lewis L. Pate-controller, Louis G. Melchior-finance & treasurer, M. Richard Wyman-corp. development, Frank P. Ricca, Jr.-real estate, Martin Sneider, E.L. Jeffryes, Harvey W. Rosen; Jerald M. Alton-asst. secretary; Dan Orlando-insurance; Thomas K. McCain-taxes; Joe C. Brown-real estate; Mark I. Litow-legal; Leonard Hubbard-personnel; Roger L. Kochnecke-information systems; Rodney F. Hill, asst. v.p.-internal audit; Benjamin T. Allen, Judy Smith, William J. Young.

Directors: Irving Edison, Bernard A. Edison, Julian I. Edison, Eric P. Newman, Henry Kohn, Walter H. Heinecke, Louis G. Melchior, Andrew E. Newman, E.L. Jeffryes, Darryl R. Francis, Edward J. Schnuck, M. Richard Wyman, Martin Sneider, Harvey W. Rosen, Michael H. Freund, Peter J. Soloman.

Business Activities: Operates women's shoe stores under the names Chandlers, Bakers, Leeds, Burts and The Wild Pair; also operates leased shoe departments, Joan Bari Boutiques and Gussini shoe stores, a chain of hardware stores under the name of The Handyman, and four chains of ready-to-wear stores: Jeans West, Size 5-7-9 Shops, Fashion Conspiracy and Oak Tree.

Transfer Agent(s):

Bradford Trust Company
New York, New York 10004

Stock Exchange(s): New York

Ticker Symbol: EBS

Number of Stores: (at fiscal year end)

1984	2,355	1981	2,114
1983	2,175	1980	1,972
1982	2,169		

Sales and Earnings

	Net Sales	Net Income
1984	$1,054,700,000	$ 32,900,000
1983	1,021,500,000	48,900,000
1982	915,900,000	23,200,000
1981	951,436,000	43,700,000
1980	853,389,000	42,500,000

	No. of Com. Shares #	Earn. per Share #
1984	10,305,000	$ 3.19
1983	10,831,000	4.51
1982	11,087,000	2.09
1981	11,344,000	3.84
1980	11,531,000	3.68

Based on the weighted average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.60	—	—
1983	1.48	—	—
1982	1.44	—	—
1981	1.38	—	—
1980	1.32	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 282,600,000	$ 27.88
1983	286,900,000	26.81
1982	259,400,000	23.96
1981	262,700,000	23.28
1980	241,100,000	20.95

Income Account

Year ended	12/29/84	12/31/83
Net sales	$1,054,700,000	$1,021,500,000
Cost of sales	709,300,000	652,300,000
Expenses	263,100,000	248,900,000
Depreciation & amortization	25,300,000	23,800,000
Interest expense	2,500,000	1,700,000
Gain on sale of rl. est.	(4,300,000)	—
Income before taxes	$ 58,800,000	$ 94,800,000
Income taxes	25,900,000	45,900,000
Net Income	$ 32,900,000	$ 48,900,000

Assets

As of	12/29/84	12/31/83
Cash	$ 20,100,000	$ 27,800,000
Marketable securities	9,200,000	55,200,000
Other assets	16,200,000	12,800,000
*Inventories	191,700,000	185,400,000
Current Assets	$ 237,200,000	$ 281,200,000
#Fixed assets	188,100,000	169,500,000
Other assets	23,300,000	9,300,000
Property held under capital leases	24,400,000	29,100,000
Total Assets	$ 473,000,000	$ 489,100,000

Liabilities

Long-term debt & cap. lease oblig., curr.	$ 3,200,000	$ 2,400,000
Accts. payable	76,900,000	72,000,000
Payroll & vacations	11,900,000	11,100,000
Other accruals	16,200,000	17,400,000
Income taxes	7,000,000	18,000,000
Other taxes	11,700,000	12,400,000
Dividends payable	4,100,000	4,300,000
Curr. Liabilities	$ 131,000,000	$ 137,600,000
Long-term debt	9,100,000	10,100,000
Oblig. under capital leases	30,600,000	36,400,000
Deferred inc. taxes & other credits	18,900,000	16,900,000
+Redeemable pref. stock	800,000	1,200,000
+ +Common stock	10,100,000	10,700,000
Retained earnings	272,500,000	276,200,000
Total Liabilities & Shareholders' Equity	$ 473,000,000	$ 489,100,000

* 50% at lower of cost (principally average) or market; 50% based on the retail method.
# Less accumulated depreciation & amortization.
+ $100 par value; 4¼% cumulative.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.58	9.28
%Net Income to Sales	3.12	4.79
%Net Income to Equity	11.64	17.04
Sales to Inventories	5.50	5.51
Working Capital	$106,200,000	$143,600,000
Current Ratio	1.81	2.04
Shareholders' Equity	$282,600,000	$286,900,000

Edward Hines Lumber Co.

200 South Michigan Avenue
Chicago, Illinois 60604
(312) 294-2000

Officers: Howell H. Howard, chairman of the board; Edward Hines, president & chief executive officer; Paul R. Leak, sr. v.p. anf chief financial officer; Curt W. Powell, William M. Archibald, John P. Vetter, sr. v.p.'s; Ernest F. Michael, Edward W. Stein, vice presidents; Frank A. Rohwedel, treasurer; Edward M. Campbell, controller; Noel H. Goodman, secretary; Mary Ellen Kilpatrick, asst. secretary.

Directors: Edward Hines, Howell H. Howard, John C. Sturgis, James Otis, Jr., William W. Boyd.

Business Activities: Produces lumber, plywood and millwork in various softwood species. Also produces building components such as roof trusses. Products manufactured are wholesaled nationally, except for building components, and retailed in the Chicago metropolitan area. Also wholesales and retails lumber and related products purchased from other sources, and is involved in carload trading. Retail operations consist of 14 Home Centers and 11 conventional retail yards.

Acquisition(s):

Kindt Corporation
Lumira, Wisconsin
Operates 7 building materials centers in Wisconsin.

Transfer Agent(s):

Continental Illinois National Bank &
Trust Company of Chicago
231 South LaSalle Street
Chicago, Illinois 60693

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1984	33	1981	25
1983	32	1980	25
1982	25		

Sales and Earnings

	Net Sales +	Net Income‡
1984	$ 280,833,000	$ 12,853,000
1983	249,652,000	8,828,400
1982	180,533,000	(31,611,000)
1981	195,726,000	(5,836,000)
1980	200,791,000	(1,714,198)

	No. of Com. Shares	Earn. per Share‡
1984	1,760,716	$ 7.29
1983	1,768,716	4.99
1982	1,768,716	—
1981	1,768,716	—
1980	1,768,216	—

+ Of continuing operations only.
‡ Including extraordinary gains of $1,725,000 ($0.98 per share) in 1984 and $1,500,000 ($0.85 per share) in 1983.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.00	—	—
1983	0.45	—	—
1982	—	—	—
1981	0.45	—	—
1980	0.80	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 59,670,589	$ 33.89
1983	48,856,819	27.62
1982	40,824,279	23.08
1981	72,435,115	40.95
1980	79,056,746	44.71

Income Account

Year ended Dec 31	1984	1983
Net sales	$ 280,832,946	$ 249,651,986
Cost of goods sold	224,024,161	207,419,647
Expenses	46,128,456	35,125,260
Depreciation	2,546,625	2,114,889
Taxes	4,157,443	2,973,919
Interest expense	452,582	860,398
Gain on dispos of assets	(196,629)	(340,020)
Investment income	(1,820,373)	(1,951,763)
Eq in earn of Southern Mineral Corp	(5,174)	121,194
Restructuring expense	1,292,369	—
Income before taxes	$ 4,253,486	$ 3,328,462
Income taxes	1,725,000	1,500,000
Income from cont oper	$ 2,528,486	$ 1,828,462
Income from dis ont oper	8,600,000	5,500,000
Net Income	$ 11,128,486	$ 7,328,462
Extraordinary item	1,725,000	1,500,000
Net Income & Extraord Item	$ 12,853,486	$ 8,828,462

Assets

As of Dec 31	1984	1983
Cash	$ 2,593,442	$ 2,011,377
Short-term invest	19,426,547	25,764,064
Accts receiv , net	25,189,681	19,823,989
*Inventories	25,627,129	19,658,573
Prepaid expenses and supplies	353,737	687,522
Recoverable income taxes	781,820	—
Proceeds from sales	900,466	1,387,521
Assets of discont oper	505,957	290,544
Current Assets	$ 75,378,779	$ 69,623,590
#Fixed assets	20,202,914	15,926,590
Prepaid taxes	786,305	1,195,970
Deferred income	470,773	1,145,893
Invest in Southern Mineral Corp	651,118	697,966
Other assets	2,220,663	2,217,162
Value of discont oper	3,268,409	3,482,069
Total Assets	$ 102,978,961	$ 94,289,000

Liabilities

Long-term debt, curr	$ 2,249,937	$ 510,000
Accts payable	9,493,911	6,338,545
Accruals	8,762,274	6,659,192
Dividend payable	440,179	265,307
Income taxes	2,283,361	2,924,371
Reserve for costs of dispos	2,164,653	3,655,019
Liab of discont oper	5,947,724	1,501,026
Curr Liabilities	$ 31,342,239	$ 21,853,460
Long-term debt	3,348,160	3,270,000
Reserve for costs of dispos	8,250,000	20,000,000
Deferred inc taxes and investment credit	367,973	308,721
+ Common stock	20,000,000	20,000,000
Add paid-in capital	8,202,869	8,202,869
Retained earnings	34,628,809	23,538,539
Treasury stock	(3,161,089)	(2,884,589)
Total Liabilities & Shareholders' Equity	$ 102,978,961	$ 94,289,000

* At LIFO
# Less accumulated depreciation
+ $10 par value

Statistical Summary

%Income bef Taxes to Sales	1.51	1.33
Sales to Inventories	10.96	12.70
Working Capital	$44,036,540	$47,770,130
Current Ratio	2.41	3.19
Shareholders' Equity	$59,670,589	$48,856,819

The Elder-Beerman Stores Corp.

3155 El-Bee Road
Dayton, Ohio 45439
(513) 294-3111

Officers: Max Gutmann, chairman of the board & chief executive officer; Charles M Waldron, vice chairman, president & chief administrative officer; Harry A Jensen, secretary ; Paul E Lazorski, sr v p -operations; Bernard Gutmann, sr v p & chief exec officer-Bee-Gee/Spare Change Division; John A Silverstri, sr v p & chief exec officer-Margo's Division; Rafael Furst, sr v p & treasurer; Kenneth R Epstein, sr v p -human resources; John H Snyder, Robert Chaet, Bryant O Phillips, sr v p 's; Sue K Westbrook, sr v p -sales promotion & publicity; David W Lovejoy, sr v p & controller; Leonard B Peal, v p -cost & leased departments; Harry P Lang, Paul N Leesemann, Sandra K Likes, v p 's; Dennis E McCain, sr v p & director of stores; Thomas K Kingery, v p & store manager; Donald A Beal, v p -store planning; Guenther C Kass, v p -information systems; Anthony A Singleton, v p -data processing services; Lee F Cuaser, v p & creative director; Joyce D Cology, v p -merchandising; Robert Fountain, v p -merchandising; James A Lance, v p -systems development

Directors: Max Gutmann*, Richard J Jacob*, Robert A Kerr*, Sidney S Kahn, Charles M Waldron, Barbara Beerman Weprin*, Leonard B Peal

* Member of the Executive Committee

Business Activities: Operates department stores serving the Dayton, Cincinnati, and Columbus, Ohio metropolitan areas under the Elder-Beerman name. Also operates shoe departments and shoe stores in Ohio, Indiana, Kentucky, West Virginia, and Texas under the name "El-Bee Shoe Outlet", 63 specialty stores (Margo's) featuring women's sportswear, dresses and shoes in Texas, Oklahoma, New Mexico and Colorado, 2 children's specialty stores (Young Ages); office supply stores (El-Bee Office Outfitters) and three furniture showrooms. The company also operates a credit finance subsidiary, the El-Bee Chargit Corp

Subsidiaries:

The El-Bee Chargit Corp
3155 El-Bee Road
Dayton, Ohio 45439

Margo's Inc
3909 Live Oak Drive
Dallas, Texas 75204

The Bee-Gee Shoe Corp
153 E. Helena Street
Dayton, Ohio 45404

El-Bee Office Outfitters, Inc
26 E Third Street
Dayton, Ohio 45402

Bee-Gee/Spare Change, Inc
Operates 26 Spare Change stores which feature juniors' sportswear. Stores are located in Ohio, Kentucky and Indiana

Transfer Agent(s):

Bank One, N A
Dayton, Ohio

Stock Exchange(s): Over the Counter

Ticker Symbol: ELDR (NASDAQ)

Number of Stores: (at fiscal year end)

	Dept Stores	Shoe Stores	Office Outfit	Furniture Showrms	Specialty Stores
1984	21	116	3	2	64
1983	21	82	3	3	89
1982	20	74	3	3	67
1981	21	58	3	3	—
1980	20	53	3	3	—

Sales and Earnings

	Net Sales	Net Income
1984	$ 286,777,249	$ 7,100,143
1983	262,455,000	1,762,034
1982	235,166,000	1,937,029
1981	203,981,000	2,439,079
1980*	201,341,000	2,361,716

	No of Com Shares +	Earn per Share +
1984	2,799,968	$ 2.54
1983	2,799,968	0.63
1982	2,799,968	0.69
1981	2,799,968	0.87
1980*	2,799,968	0.84

* 53 weeks
+ Based on the average number of shares outstanding adjusted to reflect stock dividends

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$0.19	10%	—
1983	0.17	10%	—
1982	0.16	6%	—
1981	0.15	5%	—
1980	0.15	—	—

‡ Adjusted to reflect stock dividends

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 43,835,000	$ 15.66
1983	37,277,000	13.31
1982	36,004,000	12.86
1981	34,523,000	12.33
1980	32,515,000	11.61

‡ Based on the average number of shares outstanding adjusted to reflect stock dividends

Income Account *

Year ended	1/29/84	1/30/83
Net sales	$ 286,777,249	$ 262,455,019
Cost of sales	188,012,815	174,568,665
Expenses	59,896,643	55,048,162
Sales, salaries & comm	23,612,864	22,042,518
Prov for doubtful accts	874,699	985,082
Interest expense	6,031,085	7,648,558
Gain on sale of lease right	(2,451,000)	—
Income before taxes	$ 10,800,143	$ 2,162,034
Income taxes	3,700,000	400,000
Net Income	$ 7,100,143	$ 1,762,034

* Included in Costs and Expenses, Depreciation and Amortization $3,789,193 in 1984 and $3,582,910 in 1983

Assets

As of	1/29/84	1/30/83
Cash	$ 800,820	$ 1,700,036
Accts receiv , net	59,148,028	51,609,273
*Inventories	48,328,144	43,470,809
Prepaid expenses	1,411,913	1,483,127
Current Assets	$ 109,688,905	$ 98,263,245
#Fixed assets	19,839,755	19,842,524
Assets recorded under cap leases	12,890,859	13,757,723
Other assets	1,151,823	1,281,328
Total Assets	$ 143,571,342	$ 133,144,820

Liabilities

Notes payable	$ 16,087,292	$ 32,100,000
Long-term debt, curr	1,884,202	1,801,069
Accts payable	20,985,841	18,060,333
Accured payroll	2,994,279	2,319,011
Deferred taxes	6,963,637	6,608,747
Current taxes	2,044,938	472,971
Other accruals	5,732,963	5,093,102
Curr Liabilities	$ 56,693,152	$ 66,455,233
Long-term debt	43,043,379	29,412,302
+ Common stock	2,868,792	2,608,565
Add paid-in capital	14,621,139	11,596,001

Retained earnings	26,642,400	23,370,239
Treasury stock	(297,520)	(297,520)
Total Liabilities & Shareholders' Equity	$ 143,571,342	$ 133,144,820

* At lower of cost or market.
# Less accumulated depreciation.
+ $1 stated value.

Statistical Summary

%Income bef. Taxes to Sales	3.77	0.82
%Net Income to Sales	2.48	0.67
%Net Income to Equity	16.20	4.73
Sales to Inventories	5.93	6.04
Working Capital	$52,995,753	$31,808,012
Current Ratio	1.93	1.48
Shareholders' Equity	$43,834,811	$37,277,285

Ellman's Inc.

2000 Lake Park Drive
Smyrna, Georgia 30080
(404) 435-2000

Officers: Robert Weinstein, chairman of the board & chief executive officer; Al Katz, president & chief operating officer; Harold S. Ellman, sr. v.p.; Jack Hirsh, sr. v.p.-general merchandising; Harley Ross, sr. v.p.-jewelry merchandising & sales; Robert E. Willis, chief financial officer; Quentin Thomas, v.p.-operations; Ron Wojcik, v.p.-merchandising planning; Jaap Groen, v.p.-adv. & public relations; Marjorie E. Weinstein, secretary; Robert E. Ludwick, controller; Barry Kaufman, v.p.-jewelry merchandising; Maurice J. Kemp, Art Powell, asst. v.p.'s; Fred Ellman, asst. secretary.

Directors: Louis Carrol, Harold S. Ellman, Elliot Goldstein, Marjorie E. Weinstein, Robert Weinstein, D. Raymond Riddle, Frank E. Kutcher, Jr., Al Katz.

Business Activities: Operates six catalog showrooms in the greater Atlanta area and one each in Greensboro and Charlotte, North Carolina, respectively.

Transfer Agent(s):

The First National Bank of Atlanta
Atlanta, Georgia

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ELLM (NASDAQ)

Number of Stores: (at fiscal year end)

1985	8	1982	7
1984	7	1981	7
1983	8		

Sales and Earnings

	Net Sales	Net Income
1984	$ 74,463,000	$ 1,845,000
1983	69,114,000	880,000
1982	62,110,000	1,567,000
1981	62,353,000	994,000
1980*	56,432,000	1,326,000

	No. of Com. Shares	Earn. per Share ‡
1984	1,171,900	$ 1.57
1983	1,171,900	0.75
1982	1,171,300	1.34
1981	1,171,900	0.85
1980*	1,171,900	1.13

* 53 weeks
‡ Based on the weighted average number of common shares outstanding

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 19,217,000	$ 16.40
1983	17,372,000	14.82
1982	16,492,000	14.07
1981	14,925,000	12.74
1980	13,931,000	11.89

Income Account

Year ended	4/28/84	4/30/83
Net sales	$ 74,463,000	$ 69,114,000
Cost of sales	50,428,000	49,603,000
Expenses	18,911,000	16,763,000
Depreciation	1,006,000	881,000
Interest expense	874,000	828,000
Interest income	(326,000)	(398,000)
Income before taxes	$ 3,570,000	$ 1,437,000
Income taxes	1,725,000	557,000
Net Income	$ 1,845,000	$ 880,000

Assets

As of	4/28/84	4/30/83
Cash	$ 5,537,000	$ 3,524,000
Accts. receiv., net	842,000	425,000
*Inventories	16,715,000	14,082,000
Prepaid expenses	335,000	181,000
Current Assets	$ 23,429,000	$ 18,212,000
#Fixed assets	15,600,000	14,870,000
Other assets	113,000	125,000
Total Assets	$ 39,142,000	$ 33,207,000

Liabilities

Long-term debt & cap. lease oblig., curr.	$ 765,000	$ 635,000
Accts. payable	6,236,000	3,948,000
Accruals	1,803,000	1,143,000
Customer deposits	720,000	847,000
Income taxes	1,548,000	191,000
Curr. Liabilities	$ 11,072,000	$ 6,764,000
Long term debt	5,719,000	6,188,000
Cap. lease oblig.	2,590,000	2,527,000
Other liabilities	485,000	—
Def. income taxes	59,000	356,000
+ Common stock	1,180,000	1,180,000
Add. paid-in capital	2,052,000	2,052,000
Retained earnings	16,001,000	14,156,000
Treasury stock	(16,000)	(16,000)
Total Liabilities & Shareholders' Equity	$ 39,142,000	$ 33,207,000

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.79	2.08
%Net Income to Sales	2.48	1.27
%Net Income to Equity	9.60	5.07
Sales to Inventories	4.45	4.91
Working Capital	$12,357,000	$11,448,000
Current Ratio	2.12	2.69
Shareholders' Equity	$19,217,000	$17,372,000

Evans, Inc.

36 South State Street
Chicago, Illinois 60603
(312) 855-2000

Officers: David Meltzer, chairman and president; Harold Sussman, executive vice president; Herbert S. Grant, v.p.-finance & treasurer; Max Beck, v.p & sales promotion mgr.; Robert Parraga, v.p.-personnel; Irving Karm, exec. v.p.-natl. operations; Robert R. Meltzer, v.p.-fur sales promotion director; Jo Simonton, v.p.-marketing; Samuel B. Garber, v.p., secretary & general counsel; Fred Handel, v.p.-general fur merchandising manager; Barry Novick, v.p.-fur merchandising; Robert La Belle, v.p.-leased fur departments.

Directors: D.B. Meltzer, chairman; Miles L. Berger, Robert K. Meltzer, David B. Heller, Harold Sussman, Burton L. Gordon, Edmond D. Cicala.

Business Activities: Owns and operates 20 women's apparel stores specializing in furs. The stores are located in Chicago, Washington, D.C., Dallas/Fort Worth, New Orleans, and Las Vegas. In addition, the company leases fur salons in 130 locations from 14 major department stores. The stores operate under the names of Evans, Koslow's and Rosendorf/Evans.

Transfer Agent(s):

American National Bank and Trust Company of Chicago
Chicago, Illinois

Stock Exchange(s): Over-the-Counter

Ticker Symbol: EVAN (NASDAQ)

Number of Stores: (at fiscal year end)

1984	18	1981	17
1983	18	1980	15
1982	18		

Sales and Earnings

	Net Sales ‡	Net Income
1985	$ 145,658,000	$ 5,658,000
1984	136,001,000	6,441,000
1983	109,774,000	3,233,000
1982	94,894,000	1,789,000
1981	86,569,000	2,309,000

	No. of Com. Shares #	Earn. per Share #
1985	507,450	$ 11.15
1984	518,005	12.43
1983	463,897	6.97
1982	468,780	3.82
1981	469,173	4.92

‡ Includes service and other revenues.
# Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.30	—	—
1984	0.30	—	—
1983	0.30	—	—
1982	0.30	—	—
1981	0.30	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 35,508,000	$ 69.97
1984	34,069,000	65.77
1983	26,089,000	56.08
1982	23,057,000	49.24
1981	21,429,000	45.67

Income Account *
(000's)

Year ended	3/2/85	3/3/84
Net sales	$ 133,197	$ 125,057
Other income	12,461	10,944
Total Income	$ 145,658	$ 136,001
Cost of sales	87,237	81,229
Expenses	44,708	40,671
Prov. for doubtful accts.	710	834
Interest expense	3,415	2,833
Other income	(1,109)	(1,677)
Income before taxes	$ 10,697	$ 12,111
Income taxes	5,039	5,670
Net Income	$ 5,658	$ 6,441

* Included in Costs and Expenses, Depreciation and Amortization: $1,914,000 in 1985 and $1,535,000 in 1984.

Evans, Inc.

Assets
(000's)

As of	3/2/85	3/3/84
Cash	$ 3,893	$ 3,374
Receiv., net	34,436	30,460
*Inventories	26,924	22,816
Prepaid expenses	4,261	2,376
Current Assets	$ 69,514	$ 59,026
#Fixed assets	13,257	7,334
Other assets	4,542	4,556
Total Assets	$ 87,313	$ 70,916

Liabilities
(000's)

Long-term debt, curr.	$ 2,126	$ 1,952
Accts. payable	5,086	5,073
Accruals	8,652	10,094
Dividends payable	66	78
Income taxes	8,877	7,232
Curr. Liabilities	$ 24,807	$ 24,429
Long-term debt	23,866	9,417
Deferred compensation	3,132	3,001
+ Common stock	604	604
Add. paid-in capital	2,754	2,652
Retained earnings	37,003	31,489
Treasury stock	(4,853)	(676)
Total Liabilities & Shareholders' Equity	$ 87,313	$ 70,916

* At lower of cost (invoice amount for furs & retail method) or market

Less accumulated depreciation and amortization

+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	8.03	9.68
%Net Income to Sales	4.25	5.15
%Net Income to Equity	15.93	18.91
Sales to Inventories	4.95	5.48
Working Capital	$44,707,000	$34,597,000
Current Ratio	2.80	2.42
Shareholders' Equity	$35,508,000	$34,069,000

Evans Products Company

6917 Collins Avenue
Miami Beach, Florida 33141
(305) 866-7771

Mailing address:

P.O. Drawer K
Miami Beach, Florida 33141

Officers: Victor Posner, chairman & chief exec. officer; Steven Posner, vice chairman; Monford A. Orloff, president & chief operating officer; William C. Finkenstaedt, exec. v.p. & president-Shelter Products Group; Maurice Grossman, exec. v.p. & president-Retail Group; Edward Kahn, exec. v.p.; Peter H. Koehler, exec. v.p. & president-Forest-Fiber Products Group; Melvin R. Colvin, Raymond Dettore, Walter Sieckman, sr. v.p.'s; Renee Mottram, sr. v.p.-administration; Leonard Liefert, v.p.; Tracy Posner, v.p., asst. secretary & asst. treasurer; F. Edwin Denniston, v.p.-taxes; Donald O. Nellis, v.p. & treasurer.

Directors: David R. Addis, Melvin R. Colvin, R.W. deWeese, Donald A. Engel, Dante C. Fabiani, Monford A. Orloff*, Bernard I. Posner, Steven Posner*, Victor Posner*, Martin Rosen, Alvin Sherman, Walter Sieckman, Thomas M. Thompson.

* Member of the Executive Committee.

Business Activities: The company owns and operates a chain of retail building materials stores in 20 states. The stores operate under the names: Grossman's, Moore's, Lindsley, and Hubbard & Johnson. Other business activities include railcar and truck trailer leasing and manufacturing building products, steel castings and specialty metal products.

Operating Groups:

Retail Group
200 Union Street
Braintree, Massachusetts 02184
(617) 848-0100

Shelter Products Group
6917 Collins Avenue
Miami Beach, Florida 33141
(305) 866-7771

Forest-Fiber Products Group
1121 S.W. Salmon Street
Portland, Oregon 97205
(503) 222-5592

Transportation Systems and Industrial Group
2550 Golf Road
Folling Meadows, Illinois 60008
(312) 640-7000

Transfer Agent(s):

Bank of America, N.T. & S.A.
San Francisco, California

Stock Exchange(s): New York, Pacific

Ticker Symbol: EVY

Number of Stores: (at fiscal year end)

1983	345	1981	348
1982	341		

Sales and Earnings

	Net Sales ‡	Net Income
1983	$1,352,114,000	$ (63,875,000)
1982	1,237,906,000	(64,821,000)
1981	1,326,554,000	17,620,000
1980	1,264,162,000	40,961,000
1979	1,320,792,000	62,001,000

	No. of Com. Shares +	Earn. per Share +
1983	13,699,000	$ —
1982	13,599,000	—
1981	13,581,000	0.94
1980	13,542,000	2.66
1979	13,633,000	4.20

(Loss)

‡ Of continuing operations only.

+ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1983	$ —	10%	—
1982	0.23	—	—
1981	1.45	—	—
1980	1.45	—	—
1979	1.27	—	—

+ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity ‡	Equity Per Share +
1983	$ 142,456,000	$ 10.32
1982	211,575,000	15.56
1981	284,377,000	20.91
1980	290,705,000	21.45
1979	274,056,000	20.24

‡ After allowing for preferred stock at stated value of $20.50 per share.

+ Adjusted to reflect stock dividend.

Income Account
(000's)

Year ended Dec. 31	1983	1982
Net sales	$ 1,352,114	$ 1,237,906
Other income	10,517	6,492
Gain on sale	3,538	—
Earn. (loss) of unconsol. subsid.	(62,096)	48,579
Total Income	$ 1,304,073	$ 1,292,977
Cost of sales	1,169,925	1,091,069
Expenses	112,181	106,736
Depreciation & amortization	23,394	24,255
Interest expense	74,448	85,335
Est. loss from closed facil.	—	2,800
Loss bef. taxes	$ (75,875)	$ (17,218)
Inc. taxes (credit)	(12,200)	1,900
Loss-cont. oper.	$ (63,875)	$ (19,118)
Loss - discont. oper.	—	(45,703)
Net Loss	$ (63,875)	$ (64,821)

Assets
(000's)

As at Dec. 31	1983	1982
Cash	$ 49,043	$ 41,385
Accts. receiv., net	100,452	84,005
*Inventories	234,139	206,333
Prepaid expenses	4,279	8,845
Taxes on earnings	16,680	28,877
Current Assets	$ 404,593	$ 369,445
#Fixed assets	255,543	264,236
Invest. in unconsol. subsid.	170,321	268,450
Other assets	41,217	46,649
Total Assets	$ 871,674	$ 948,780

Liabilities
(000's)

Notes payable	$ 14,854	$ 14,560
Long-term debt, curr.	81,176	46,949
Accts. payable & accruals	192,910	175,140
Curr. Liabilities	$ 288,940	$ 236,649
Long-term debt	381,162	436,775
Deferred taxes	9,857	11,934
+ Preferred stock with mand. redemp.	42,079	44,667
+ Preferred stock without mand. redemp.	7,180	7,180
+ + Common stock	16,986	16,986
Add. paid-in capital	146,559	150,991
Retained earnings	27,546	114,376
Treasury stock	(48,635)	(70,778)
Total Liabilities & Shareholders' Equity	$ 871,674	$ 948,780

* At lower of cost (FIFO) or market

Less accumulated depreciation on prop., plant and equip. and amortization on capital leases

+ No par value

+ + $1 par value

Statistical Summary

Sales to Inventories	5.77	6.00
Working Capital	$115,635,000	$132,796,000
Current Ratio	1.40	1.56
Shareholders' Equity	$149,636,000	$218,755,000

Fabric Wholesalers, Inc.

2035 N.E. 181st Avenue
Portland, Oregon 97230
(503) 666-4511

Officers: Tony J. Bosboom, president & chief executive officer; William E. Mahar, vice president & asst. secretary; Jacques B. Nichols, treasurer & secretary; Jeffrey D. Boyd, controller

Directors: Tony J. Bosboom, Jacques B. Nichols, William E. Mahar

Business Activities: Wholesalers and retailers of domestic and imported fabrics, sewing notions and trimmings. Operates stores in Oregon, Washington, Montana, Idaho and California under the Fabricland name.

Transfer Agent(s):

First Interstate Bank of Oregon
Portland, Oregon

Stock Exchange(s): Over-the-Counter

Ticker Symbol: FBRC (NASDAQ)

Number of Stores: (at fiscal year end)

1984	49	1981	37
1983	N.A.	1980	36
1982	43		

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income
1984*	$ 16,208,305	$ 561,218
1983	28,557,773	1,164,867
1982	25,674,040	1,039,632
1981	19,828,248	630,381
1980	14,134,929	450,039

	No. of Com. Shares ‡	Earn. per Share ‡
1984*	1,092,466	$ 0.51
1983	1,092,466	1.07
1982	1,092,466	0.95
1981	1,092,916	0.57
1980	1,130,438	0.40

* 6 months.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.075	—	2-for-1
1983	0.1375	—	—
1982	0.125	—	—
1981	0.075	—	—
1980	0.05	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share‡
1984	$ 7,271,208	$ 6.66
1983	6,791,925	6.22
1982	5,777,272	5.29
1981	4,874,199	4.46
1980	4,350,495	3.85

‡ Based on the weighted average number of shares outstanding.

Income Account

Year ended	6/30/84 (6 months)	12/31/83
Net sales	$ 16,208,305	$ 28,557,773
Cost of sales	10,965,244	19,061,066
Expenses	3,785,280	6,676,307
Depreciation & amortization	144,397	254,233
Interest expense	292,943	476,551
Other income	(26,777)	(80,251)
Income before taxes	$ 1,047,218	$ 2,169,867
Income taxes	486,000	1,005,000
Net Income	$ 561,218	$ 1,164,867

Assets

As of	6/30/84	12/31/83
Cash	$ 28,110	$ 98,615
Receiv., net	223,552	207,718
Notes receivable	46,342	49,523
*Inventories	13,811,251	12,442,770
Prepaid expenses	115,887	57,207
Current Assets	$ 14,225,142	$ 12,855,833
#Fixed assets	2,536,392	2,466,173
Other assets	259,530	188,412
Total Assets	$ 17,021,064	$ 15,510,418

Liabilities

Bank overdrafts	$ 252,107	$
Notes paid to bank	2,801,287	2,041,893
Long-term debt, curr.	400,000	400,000
Accts. payable	3,062,971	3,221,631
Accruals	600,000	581,429
Income taxes		163,556
Curr. Liabilities	$ 7,116,392	$ 6,408,509
Long-term debt	1,400,000	1,200,000
Other payables	716,191	587,184
Mortg. payable	397,273	399,800
Deferred inc. taxes	120,000	123,000
+ Common stock	2,300,506	2,300,506
Retained earnings	5,149,112	4,669,829
Treasury stock	(178,410)	(178,410)
Total Liabilities & Shareholders' Equity	$ 17,021,064	$ 15,510,418

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

% Income bef. Taxes to Sales	6.46	7.60
% Net Income to Sales	3.46	4.08
% Net Income to Equity	7.72	17.15
Sales to Inventories	1.17	2.30
Working Capital	$7,108,750	$6,447,324
Current Ratio	2.00	2.01
Shareholders' Equity	$7,271,208	$6,791,925

Fabri-Centers of America, Inc.

23550 Commerce Park Road
Cleveland, Ohio 44122
(216) 464-2500

Officers: Martin Rosskamm, president; Betty Rosskamm, secretary & treasurer; Justin Zimmerman, sr. v.p.; Brian Burton, exec. v.p. & chief financial officer; Michael Feuer, sr. v.p.; Robert Lytle, Hilda Reich, Alma Zimmerman, Barry J. Sands, Travis Ballew, John Stec, Alan Rosskamm, Gordon Williams, vice presidents; Richard Garrison, president-Cargo Express Division.

Directors: Sidney Dworkin, Hilda Reich, Betty Rosskamm, Joseph H. Thomas, Alma Zimmerman, Justin Zimmerman, Brian Burton, Martin Rosskamm, Samuel J. Krasney.

Business Activities: Operates a chain of retail fabric stores, primarily under the name Jo-Ann Fabrics in 35 states and the District of Columbia. The company also operates a group of boutique type high fashion shops under the Showcase of Fine Fabrics name, called House of Fine Fabrics in the greater Washington, D.C. marketing area. Company outlets sell a wide variety of fashion and decorator fabrics, sewing notions, patterns and related accessories.

Divisions:

Special Products Division
Operates 158 authorized Singer sewing machine departments in Fabri-Centers' stores in 100 markets.

Transfer Agent(s):

AmeriTrust Company, National Association
Cleveland, Ohio

Stock Exchange(s): New York

Ticker Symbol: FCA

Number of Stores: (at fiscal year end)

1985	657	1982	591
1984	628	1981	527
1983	593		

Sales and Earnings

	Net Sales	Net Income
1985*	$ 226,937,000	$ 3,875,000
1984	209,399,000	4,564,000
1983	210,289,000	7,183,000
1982	172,777,580	5,439,055
1981	149,674,335	4,007,230

	No. of Com. Shares ‡	Earn. per Share ‡
1985*	5,095,376	$ 0.76
1984	5,050,111	0.90
1983	4,501,778	1.60
1982	4,455,571	1.22
1981	4,427,063	0.91

* 53 Weeks.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.28	—	—
1984	0.28	—	—
1983	0.22	—	3-for-2
1982	0.19	—	—
1981	0.19	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 60,247,000	$ 11.91
1984	58,968,000	11.52
1983	48,600,000	10.72
1982	42,116,895	9.44
1981	37,349,982	8.44

‡ Based on the average number of shares outstanding.

Income Account *

Year ended	2/2/85 (53 weeks)	1/28/84
Net sales	$ 226,937,000	$ 209,399,000
Cost of sales	111,443,000	101,533,000
Expenses	107,869,000	98,581,000
Interest expense	810,000	486,000
Income before taxes	$ 6,815,000	$ 8,799,000
Income taxes	2,940,000	4,235,000
Net Income	$ 3,875,000	$ 4,564,000

* Included in Costs and Expenses, Depreciation and Amortization: $4,158,000 in 1985 and $3,903,000 in 1984.

Assets

As of	2/2/85	1/28/84
Cash	$ 1,886,000	$ 7,455,000
Receiv., net	1,141,000	1,480,000
*Inventories	65,918,000	58,454,000
Prepaid expenses	2,894,000	1,313,000
Current Assets	$ 71,839,000	$ 68,702,000

#Fixed assets	26,100,000	22,814,000
Intangibles	3,787,000	—
Other assets	1,332,000	1,172,000
Total Assets	$ 103,058,000	$ 92,688,000

Liabilities

Long-term debt & cap lease oblig curr	$ 768,000	$ 754,000
Short-term bank loans	7,000,000	—
Accts payable	23,966,000	18,731,000
Accruals	3,153,000	3,684,000
Income taxes	375,000	2,161,000
Curr Liabilities	$ 35,262,000	$ 25,330,000
Long-term debt	5,432,000	6,200,000
Other long-term liabilities	436,000	1,043,000
Deferred inc taxes	1,681,000	1,147,000
+ Common stock	506,000	512,000
Add paid-in capital	15,426,000	15,438,000
Unearned comp	(505,000)	(134,000)
Retained earnings	44,820,000	43,152,000
Total Liabilities & Shareholders' Equity	$ 103,058,000	$ 92,688,000

* At lower of cost (FIFO) or market

Less accumulated depreciation and amortization

+ No par value, $0.10 stated value

Statistical Summary

%Income bef Taxes to Sales	3.00	4.20
%Net Income to Sales	1.71	2.18
%Net Income to Equity	6.43	7.74
Sales to Inventories	3.44	3.58
Working Capital	$36,577,000	$43,372,000
Current Ratio	2.04	2.71
Shareholders' Equity	$60,247,000	$58,968,000

Family Dollar Stores, Inc.

P.O. Box 25800
10401 Old Monroe Road
Charlotte, North Carolina 28212
(704) 847-6961

Officers: Leon Levine, chairman of the board, chief executive officer, & treasurer; Lewis E. Levine, president & chief operating officer; William E. Oddy, sr. v.p.-finance & administration; Howard R. Levine, sr. v.p.-merchandising, advertising, distribution; Albert S. Rorie, v.p.-data processing; James A. Seagraves, sr. v.p.-store operations; George R. Mahoney Jr., sr. v.p.-general counsel & secretary; Stephen G. Simms, sr. v.p.-real estate & construction; Donald D. Jensen, controller; Daylon W. Powell, asst. treasurer; Janice B. Burris, asst. secretary; Douglas Sullivan, v.p.-real estate; Norman Weizer, Philip W. Thompson, v.p.'s store operations; Dan Jenkins, v.p.-advertising and sales promotion; Robert S. Parker, v.p. loss prevention; Daniel M. Smith, v.p. & gen. mdse. mgr.

Directors: Leon Levine, Thomas Payne, Lewis E. Levine, Mark R. Bernstein

Business Activities: Operates a chain of discount department stores located in North Carolina, South Carolina, Mississippi, Florida, Georgia, Virginia, Tennessee, Alabama, West Virginia, Kentucky, Arkansas, Louisiana, Maryland, Pennsylvania and Ohio.

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: FDO

Number of Stores: (at fiscal year end)

1984	756	1981	455
1983	635	1980	420
1982	529		

Sales and Earnings

	Net Sales	Net Income
1984	$ 340,919,236	$ 23,557,327
1983	264,440,407	15,726,580
1982	207,419,020	10,695,407
1981	181,712,931	9,116,931
1980	166,854,381	8,336,746

	No. of Com Shares ‡	Earn per Share ‡
1984	19,067,380	$ 1.24
1983	18,910,395	0.83
1982	18,808,830	0.57
1981	18,629,836	0.49
1980	18,298,077	0.46

‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock splits

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.175		
1983	0.14		2-for-1
1982	0.12		3-for-2
1981	0.10		3-for-2
1980	0.09		

+ Adjusted to reflect stock splits

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 90,999,459	$ 4.77
1983	69,956,528	3.70
1982	54,979,449	2.92
1981	46,368,472	2.49
1980	38,593,545	2.11

‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock splits

Income Account *

Year ended Aug 31	1984	1983
Net sales	$ 340,919,236	$ 264,440,407
Other income	5,578,109	3,585,486
Total income	$ 346,497,345	$ 268,025,893
Cost of sales	211,529,926	167,347,909
Expenses	90,491,174	70,440,822
Income before taxes	$ 44,476,245	$ 30,237,162
Income taxes	20,918,918	14,510,582
Net Income	$ 23,557,327	$ 15,726,580

* Included in Costs and Expenses, Depreciation: $3,798,458 in 1984 and $2,962,712 in 1983

Assets

As of Aug 31	1984	1983
Cash	$ 4,779,154	$ 4,788,338
Short term investments	27,223,012	17,563,370
*Inventories	69,490,515	62,152,877
Prepayments	1,003,336	909,241
Current Assets	$ 102,496,017	$ 85,413,826
#Fixed asets	34,884,073	27,694,444
Other assets	133,680	103,622
Total Assets	$ 137,513,770	$ 113,211,892

Liabilities

Accts payable	$ 32,720,898	$ 31,490,597
Accruals	8,063,596	6,503,242
Income taxes	3,137,528	3,560,960
Curr Liabilities	$ 43,922,022	$ 41,553,799
Deferred inc taxes	2,592,289	1,700,565
+ Common stock	1,935,541	1,928,537
Add paid-in capital	2,719,345	1,902,619
Retained earnings	86,624,078	66,404,877
Treasury stock	(279,505)	(279,505)
Total Liabilities & Shareholders' Equity	$ 137,513,770	$ 113,211,892

* At lower of cost (FIFO) or market, determined by retail prices

Less accumulated depreciation

+ $0.10 par value.

Statistical Summary

%Income bef Taxes to Sales	13.05	11.43
%Net Income to Sales	6.91	5.95
%Net Income to Equity	25.89	22.48
Sales to Inventories	4.91	4.25
Working Capital	$58,573,995	$43,859,027
Current Ratio	2.33	2.06
Shareholders' Equity	$90,999,459	$69,956,528

Fay's Drug Company, Inc.

7245 Henry Clay Boulevard
Liverpool, New York 13088
(315) 457-5970

Officers: Henry A. Panasci, Jr., chairman of the board & chief executive officer; Daniel A. Herrmann, president & chief operating officer; Peter E. Rhodes, exec. v.p. & chief financial officer; James B. Miller, v.p.-personnel; Bruce R. Berg, v.p.-store operations; John A. Kuznia, v.p.-information systems; Gillian M. McAuliffe, v.p.-consumer affairs; Allan R. Travis, v.p.-advertising & promotion; John A. Kogut, sr. v.p.-operations; Warren D. Wolfson, v.p.-general counsel & secretary; Paul T. Anderson, v.p. & controller; David Panasci, v.p.-marketing; Michael Winahradsky, v.p.-distribution; James Poole, v.p.-planning; Lawrence D. Padgett, v.p.-specialty retail division; Ray J. Ryan, v.p.-real estate

Directors: Henry A. Panasci, Jr., Daniel A. Herrmann, Hyman Miller, John D. Burke, Tarky Lombardi, Jr., Robert J. Congel, Peter E. Rhodes, John Saril, Chris Witting, David H. Panasci, Robert H. Altman, Joyce L. Greenberg

Business Activities: Operates 119 drug stores in upstate New York and Pennsylvania. The Company also operates a liquor store.

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): New York

Ticker Symbol: FAY

Number of Stores: (at fiscal year end)

1985	119	1982	84
1984	102	1981	112
1983	92		

Sales and Earnings

	Revenues	Net Income
1985	$ 366,697,274	$ 8,679,179
1984	312,368,414	8,103,436
1983	270,275,290	5,479,420
1982	237,829,024	3,070,970
1981	242,699,967	922,832

	No. of Com Shares †	Earn Per Share ‡
1985	13,910,232	$ 0.62
1984	13,728,498	0.60
1983	11,560,348	0.47
1982	10,237,068	0.27
1981	9,196,332	0.08

† Adjusted to reflect stock splits

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock splits

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.19	—	—
1984	0.13	—	2-for-1
1983	0.09	—	2-for-1
1982	0.07	10%	—
1981	0.06	10%	—

+ Adjusted to reflect stock dividends and stock splits

Common Stock Equity

	Total Equity	Equity Per Share †
1985	$ 59,621,088	$ 4.29
1984	52,369,090	3.81
1983	25,818,116	2.23
1982	20,924,034	2.04
1981	18,467,070	2.01

† Adjusted to reflect stock dividends and stock splits.

Income Account *

Year Ended Jan. 31	1985	1984
Revenues	$ 366,697,274	$ 312,368,414
Cost of sales	273,135,155	232,310,733
Expenses	74,032,104	60,771,810
Depreciation & amortization	4,605,882	3,802,640
Interest expense	1,108,860	557,140
Income before taxes	$ 13,815,273	$ 14,926,091
Income taxes	5,136,094	6,822,655
Net Income	$ 8,679,179	$ 8,103,436

Assets

As of Jan. 31	1985	1984
Cash	$ 17,904,650	$ 13,592,700
Accts. receiv., net	6,885,976	3,845,700
*Inventories	56,352,528	43,381,785
Prepaid expenses	3,790,004	1,453,773
Refundable income taxes	788,697	
Current Assets	$ 85,721,855	$ 62,273,958
#Fixed assets	37,029,809	31,337,639
Defer. charges	2,120,180	1,506,940
Investments	6,530,237	17,688,914
Other assets	199,378	206,656
Total Assets	$ 131,601,459	$ 113,014,107

Liabilities

	1985	1984
Notes payable	$ 4,650,000	$
Long-term debt curr.	2,167,310	1,525,579
Accts. payable	33,131,695	26,573,574
Accruals	4,559,034	3,559,549
Accrued payroll	2,805,160	2,579,452
Income taxes		1,504,286
Curr. Liabilities	$ 47,313,199	$ 35,742,440
Long-term debt	16,417,000	17,188,536
Oblig. under cap. leases	6,600,632	7,242,132
Deferred taxes	1,649,540	471,909
+Common stock	1,391,024	1,372,850
Add. paid-in capital	37,231,479	36,101,960
Retained earnings	20,998,585	14,894,280
Total Liabilities & Shareholders' Equity	$ 131,601,459	$ 113,014,107

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1985	1984
%Income bef. Taxes to Sales	3.77	4.78
%Net Income to Sales	2.37	2.59
%Net Income to Equity	14.56	15.47
Sales to Inventories	6.51	7.20
Working Capital	$38,408,656	$26,531,518
Current Ratio	1.81	1.74
Shareholders' Equity	$59,621,088	$52,369,090

Federated Department Stores, Inc.

7 West Seventh Street
Cincinnati, Ohio 45202
(513) 579-7000

Officers: Howard Goldfeder, chairman & chief executive officer; Donald J. Stone, Will M. Storey, Norman S. Mathews, John F. Burden, III, vice chairmen; Bernard S. Klavl, executive v.p.; Thomas G. Cody, Rudolph L. Hirsch, Harold E. Johnson, Gene Rappeport, James B. Selonick, Phyllis Sewell, senior v.p.'s; Jack Brown, v.p. & controller; Boris Auerbach, v.p. & secretary; Walter A. Couper, Samuel E. Dyer, H. Stewart Rose, Paul P. Thiemann, Marvin S. Traub, v.p.'s; James M. Leahy, v.p. & treasurer.

Directors: Charlotte Beers, Philip Caldwell, Robert A. Charpie, James L. Ferguson, Howard Goldfeder*, Howard W. Johnson, Reginald H. Jones, Bernard S. Klavl, Daniel W. LeBlond*, Norman S. Mathews*, G. William Miller, Peter G. Peterson, Donald J. Stone*, Will M. Storey*, Marvin S. Traub, Kathryn D. Wriston*.

* Member of the Executive Committee.

Business Activities: Operates the following stores:

Abraham & Straus
420 Fulton Street
Brooklyn, New York, 11202
(212) 875-7200

Stores: Garden City, Hempstead, Massapequa, Huntington, Manhasset, Smithhaven, Rego Park, White Plains, New York; Woodbridge, Monmouth, Paramus, Short Hills, New Jersey; King of Prussia, Willow Grove, Pennsylvania.

Bloomingdale's
Lexington Avenue at 59th Street
New York, New York 10022
(212) 705-2000

Stores: Hackensack, Short Hills, New Jersey; Fresh Meadows, Manhasset, Garden City, White Plains, New York; Stamford (1), Connecticut; Chestnut Hill (2), Massachusetts; Tyson's Corner, Virginia; White Flint, Maryland; King of Prussia, Willow Grove, Pennsylvania.

Boston Store
331 W. Wisconsin Avenue
Milwaukee, Wisconsin 53023
(414) 347-4141

Stores: Bay Shore (Glendale), Brookfield, Southridge (Greendale), Northridge (Milwaukee), Racine, Capitol Court Mall (Milwaukee) Wisconsin.

Bullock's
800 South Hope Street
Los Angeles, California 90014
(213) 612-5000

Stores: Del Amo, LaHabra, Lakewood, Palm Springs, Manhattan Beach, Pasadena, Santa Ana, Westwood, Wilshire, Northridge, Costa Mesa, Sherman Oaks, Woodland Hills, Mission Valley, West Covina, Century City, Newport Beach, La Jolla, Carlsbad, Mission Viejo, Beverly Center, Rolling Hills, Calif.; Scottsdale & Phoenix, Ariz.; Las Vegas, Nevada.

Burdines
Miami, Florida 33132
(305) 835-5151

Stores: Miami, West Dade County, Daytona Beach, Ft. Lauderdale, Hollywood, Miami Beach, Pompano Beach, Tampa, Sarasota, West Palm Beach, Westland (Hialeah), Cutler Ridge, Orlando, Altamonte, Clearwater, Boca Raton, Ft. Meyers, Plantation, St. Petersburg, Florida; Furniture Clearance Centers, Ft. Lauderdale & Miami, Florida.

The Children's Place
25 Riverside Drive
Pine Brook, New Jersey 07058
(201) 227-8900

Operates 139 children's specialty stores in 23 states.

Filene's
426 Washington Street
Boston, Massachusetts 02101
(617) 357-2978

Stores: Belmont, Braintree (South Shore), Burlington, Chestnut Hill, Hyannis, Natick, Peabody (North Shore), Wellesley, Worcester, Mass.; Warwick, Rhode Island; Manchester, New Hampshire.

Basement Branches: Saugus, Framingham, Worcester, Methuen, Burlington, Mass.; Manchester, N.H.; Levittown, Huntington, N.Y.

Filene's Basement
Boston, Massachusetts

Stores: Massachusetts, New Hampshire, New York, Connecticut.

Foley's
1110 Main Street
Houston, Texas 77001
(713) 651-7038

Stores: Almeda Mall, Northwest Mall, Pasadena, Greenspoint, Sharpstown, Houston (Warehouse Store), Willowbrook, West Oaks Mall (Houston), North Star (San Antonio), San Jacinto (Baytown), Memorial, Highland Mall, Barton Creek (Austin), Texas.

Goldsmith's
123 South Main Street
Memphis, Tennessee 38143
(901) 529-4545

Stores: Oak Court, Southland Mall, Raleigh Springs, Hickory Ridge, Jackson, Tennessee.

Gold Circle Discount Stores
6121 Huntley Road
Worthington, Ohio 43085
(614) 438-4141

Stores: Columbus (6), Dayton (3), Cleveland (8), Springfield, Canton (2), Cincinnati (4), Akron, Ohio (5); Rochester, New York (4); Buffalo (7), Pittsburgh, Pennsylvania (5); Lexington, Kentucky; Florence, Kentucky; Parma, Massillon, Kent, Ohio.

Lazarus
High & Town Streets
Columbus, Ohio 43216
(614) 463-2121

Stores: Eastland, Kingsdale, Northland, Westland, Home Store East, Capri Shops (3), Lima, Richland (Mansfield), Ohio; Castleton, Indianapolis, Evansville, Indiana; Huntington, West Virginia.

I. Magnin
135 Stockton Street
San Francisco, California 94108
(415) 362-2100

Stores: Beverly Hills, Carmel, Del Amo (Torrance), La Jolla, Los Angeles, Oakland, Palm Springs, Palo Alto, Pasadena, San Fernando Valley (Sherman Oaks), San Mateo, Santa Ana, Santa Barbara, Costa Mesa, San Jose, Santa Clara and Walnut Creek, California; Phoenix, Arizona; Portland, Oregon; Seattle, Washington; Chicago (3), Illinois; White Flint (North Bethesda) Maryland.

Main Street
2345 North Waukegan Road, Suite 300
Bannockburn, Illinois 60015
(312) 940-1600

Operates 3 stores in Chicago.

Ralphs
P.O. Box 54143
Los Angeles, California 90054
(213) 637-1101

Operates 126 supermarkets plus attendant manufacturing and distribution facilities.

Rich's
45 Broad Street S.W.
Atlanta, Georgia 30303
(404) 586-4636

Stores: Lenox Square, Belvedere, Cobb Center, North DeKalb, Greenbriar, South DeKalb, Perimeter Mall, Shannon Mall, Outlet Home Store, Cumberland Mall, South Lake Mall, Atlanta, Ga.; Augusta Mall, Augusta, Ga.; Brookwood Village & Century Plaza, Birmingham, Ala.; Columbia Mall, Columbia, S.C.; Haywood Mall, Greenville, S.C.

Richway Discount Stores
45 Broad St. S.W.
Atlanta, Georgia 30303
(404) 586-2800

Stores: Chattanooga, Tennessee; Deerfield Beach, Plantation, Tamarac, Palm Springs, West Palm Beach, Florida; Atlanta, Athens, Georgia; Charlotte, North Carolina; Columbia, South Carolina.

Sanger Harris
303 North Akard
Dallas, Texas 75201
(214) 749-3990

Stores: Preston Center, Big Town, Highland Park, Town East, Valley View, Irving, Arlington, Ft. Worth, Plano, Tyler, Texas; Woodland Hills, Tulsa, Oklahoma. Also operates two Levy's stores in Tucson, Arizona.

Shillito Rikes
Seventh & Race Streets
Cincinnati, Ohio 45202
(513) 369-7000

Stores: Kenwood Mall, Beechmont Mall, Tri-County, Dayton Mall, Kettering, Salem, Springfield, Western Wood, Louisville (2), Florence & Lexington, Kentucky; Dayton, Ohio.

Federated Department Stores, Inc.

Transfer Agent(s):

Manufacturers Hanover Trust Company
P.O. Box 24935
Church Street Station
New York, New York 10249

The First National Bank of Chicago
One First National Plaza Suite 0123
Chicago, Illinois 60670

Stock Exchange(s): New York, Cincinnati, Pacific, Phila-Balt-Wash, Midwest, Detroit

Ticker Symbol: FDS

Number of Department and Specialty Stores: (at fiscal year end)

1984	589	1981	369
1983	551	1980	358
1982	508		

Sales and Earnings

	Net Sales ‡ (000's)	Net Income † (000's)
1984	$ 9,672,300	$ 329,300
1983	8,689,600	338,300
1982	7,698,900	232,800
1981	7,067,700	258,300
1980	6,300,700	276,800

	No. of Com. Shares #	Earn. per Share # †
1984	48,700,000	$ 6.77
1983	48,600,000	6.96
1982	48,600,000	4.79
1981	48,500,000	5.33
1980	48,400,000	5.72

† Including unusual item of $58,100,000 ($1.20 per share) in 1980.

‡ Includes leased department sales.

Based on the average number of shares outstanding.

Revenues By Line of Business

	1984 (000's)	%	1983 (000's)	%
Department stores	$6,901,100	71.3%	$6,224,800	71.6%
Mass merch.	1,059,900	11.0	992,100	11.4
Supermarkets	1,711,300	17.7	1,473,700	17.0
Total	$9,672,300	100%	$8,689,600	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$2.40	—	—
1983	2.20	—	—
1982	2.10	—	—
1981	1.90	—	—
1980	1.80	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1984	$ 2,544,100	$ 52.24
1983	2,333,400	48.01
1982	2,105,100	43.44
1981	1,980,700	40.91
1980	1,815,900	37.51

Income Account *
(000's)

Year ended	2/2/85	1/28/84
Net sales	$ 9,672,336	$ [illegible]
Cost of sales	7,097,683	6,268,861
Expenses	1,893,649	1,697,663
Prov. for doubtful accts.	33,924	34,829
Interest expense	116,259	100,302
Unusual items	(42,609)	(13,118)
Income before taxes	$ 573,430	$ 601,042
Income taxes	244,100	262,700
Net Income	$ 329,330	$ 338,342

* Included in Costs and Expenses, Depreciation and Amortization: $221,092,000 in 1984 and $206,249,000 in 1983.

Assets
(000's)

As of	2/2/85	1/28/84
Cash	$ 105,141	$ 64,505
Accts. receiv., net	1,545,754	1,427,220
*Inventories	1,314,451	1,128,476
Prepaid expenses & supplies	43,746	35,729
Current Assets	$ 3,009,092	$ 2,655,930
#Fixed assets	2,178,555	2,145,895
Other assets	83,728	99,521
Total Assets	$ 5,271,375	$ 4,901,346

Liabilities
(000's)

Notes payable & long-term debt, curr.	$ 315,428	$ 322,522
Accts. payable & accruals	1,034,902	1,027,059
Income taxes	351,211	327,146
Curr. Liabilities	$ 1,701,541	$ 1,676,727
Long-term debt	710,724	631,467
Deferred compensation	178,662	162,801
Deferred inc. taxes	136,406	96,971
+ Common stock	62,196	62,196
Add. paid-in capital	102,397	105,459
Retained earnings	2,406,693	2,194,118
Treasury stock	(27,244)	(28,393)
Total Liabilities & Shareholders' Equity	$ 5,271,375	$ 4,901,346

* At LIFO which is lower than market.

Less accumulated depreciation.

+ $1.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.93	6.92
%Net Income to Sales	3.40	3.89
%Net Income to Equity	12.95	14.50
Sales to Inventories	7.36	7.70
Working Capital	$1,307,551,000	$ 979,203,000
Current Ratio	1.77	1.58
Shareholders' Equity	$2,544,042,000	$2,333,400,000

Federated Purchaser, Inc.

50 Lafayette Place
Kenilworth, New Jersey 07033
(201) 272-0505

825 Union Blvd.
Allentown, Pennsylvania 18103
(215) 437-4481

Officers: Harry J. Fallon, president; Anthony D. Carbone, vice president-administration; Steven J. Jordan, vice president industrial marketing; Jane A. Christy, v.p. operations.

Directors: Arthur C. Kammerman, chairman; Edmond L. Hoener; Harry J. Fallon; John Rudder; Ed A. Cantor.

Business Activities: Engaged in the marketing of electronic parts, components and equipment to industrial and retail customers. To its industrial customers the company sells a broad range of products including semi-conductors, wire, cable connectors, transformers, relay systems, capacitors and electronic tubes. The principal products marketed by the company to retail customers are home entertainment equipment including stereo systems, tape recorders, speakers, radios and related accessories. The company markets its retail products through two stores located in Kenilworth, New Jersey and Allentown, Pennsylvania. Industrial products are marketed directly by Federated's sales personnel from both locations and in the field.

Transfer Agent(s):

The National State Bank
Elizabeth, New Jersey

Stock Exchange(s): Over-the-Counter

Ticker Symbol: FFDP (NASDAQ)

Number of Stores: (at fiscal year end)

1984	2	1981	2
1983	2	1980	2
1982	2		

Sales and Earnings

	Net Sales	Net Income
1984	$ 7,305,216	$ 281,654
1983	6,318,917	229,286
1982	6,128,054	199,768
1981	6,222,441	257,407
1980	6,277,706	265,513

	No. of Com. Shares +	Earn. per Share +
1984	1,372,725	$ 0.21
1983	1,367,941	0.17
1982	1,370,529	0.15
1981	1,349,359	0.19
1980	1,347,564	0.20

+ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.08	—	—
1983	0.07	—	—
1982	0.06	—	—
1981	0.06	—	5-for-4
1980	0.03	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 2,227,764	$ 1.62
1983	2,063,695	1.51
1982	1,930,043	1.41
1981	1,796,304	1.33
1980	1,603,337	1.19

+ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account

Year ended October 31	1984	1983
Net sales	$ 7,305,216	$ 6,318,917
Cost of sales	5,460,553	4,763,881
Expenses	1,374,785	1,192,665
Depreciation	23,358	15,303
Other income	(91,034)	(80,718)
Income before taxes	$ 537,554	$ 427,786
Income taxes	255,900	198,500
Net Income	$ 281,654	$ 229,286

Assets

As of October 31	1984	1983
Cash	$ 51,898	$ 158,642
Cert. of deposit	990,550	850,000
Accts. receiv., net	831,007	721,248
*Inventories	787,981	667,014
Prepaid expenses	40,312	29,571
Current Assets	$ 2,701,748	$ 2,426,475
#Fixed assets	66,824	75,221
Other assets	10,900	10,900
Total Assets	$ 2,779,472	$ 2,512,596

Liabilities

Accts. payable	$ 338,355	$ 266,545
Accruals	147,670	150,100
Income taxes	52,083	24,356
Curr. Liabilities	$ 538,108	$ 441,001
Deferred income taxes	13,600	7,900
+ Common stock	137,297	137,297
Add. paid-in capital	1,687,212	1,687,212
Retained earnings	416,149	244,271
Treasury stock	(12,894)	(5,085)
Total Liabilities & Shareholders' Equity	$ 2,779,472	$ 2,512,596

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.36	6.77
%Net Income to Sales	3.86	3.63
%Net Income to Equity	12.64	11.11
Sales to Inventories	9.27	9.47
Working Capital	$2,163,640	$1,985,474
Current Ratio	5.02	5.50
Shareholders' Equity	$2,227,764	$2,063,695

Fifth Avenue Cards, Inc.

Empire State Building
350 Fifth Avenue
New York, New York 10118
(212) 736-3503

Officers: Hal J. Upbin, chairman of the board and president; Gerald Coopersmith, corporate secretary and treasurer; Larry Rosenbaum, v.p.; Eugene Cohen, senior v.p.-store operations; Robert Rosenbaum, v.p.-card shop operations; Karen Webb, Ethel Sloan, v.p.'s-merchandise.

Directors: Hal J. Upbin, chairman; Glen M. Kassan, William D. Sivitz, Robert Bjork, Romie Shapiro, Edward D. Herrick.

Business Activities: The company operates a chain of retail stores. One group specializes in greeting cards, party goods, small gift items, gift wrappings and some novelties. The other group specializes in books and general supplies for college students. The chain is located on the East Coast.

Division:

Campus Books Inc.
Columbia, Maryland

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: FIVE (NASDAQ)

Number of Stores: (at fiscal year end)

	Owned	Franchised
1984	N.A.	N.A.
1983	34	23
1982	31	24
1981	32	20
1980	26	22

N.A.-Not Available.

Sales and Earnings

	Net Sales	Net Income †
1984	$ 11,548,288	$ (1,543,088)
1983	11,307,576	(587,759)
1982	10,073,503	101,600
1981	9,520,390	(735,296)
1980	8,209,840	(139,210)

	No. of Com. Shares	Earn. per Share ‡ †
1984	996,262	$ —
1983	996,262	—
1982	996,262	0.10
1981	996,262	—
1980	996,262	—

(Loss)
‡ Based on the weighted average number of shares outstanding.
† Including extraordinary credit of $13,000 ($0.01 per share) in 1982.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ (76,067)	$ —
1983	1,467,021	1.47
1982	2,054,780	2.06
1981	1,953,720	1.96
1980	2,689,016	2.70

(Deficiency)

Income Account

Year ended June 30	1984	1983
Net sales	$ 11,548,288	$ 11,307,576
Other income	233,184	604,978
Total income	$ 11,781,472	$ 11,912,554
Cost of sales	8,202,067	7,609,527
Expenses	4,777,137	4,698,477
Depreciation	121,004	105,075
Interest expense	224,352	83,291
Store closing costs	—	3,943
Net Loss	$ (1,543,088)	$ (587,759)

Assets

As of June 30	1984	1983
Cash	$ 125,327	$ 146,955
Accts. & notes receiv.,net	675,755	602,227
*Inventories	2,370,808	2,986,281
Prepaid expenses	95,049	82,508
Current Assets	$ 3,266,939	$ 3,817,971
Notes receiv.	737,203	994,287
#Fixed assets	709,013	822,629
Other assets	—	24,091
Total Assets	$ 4,713,155	$ 5,658,978

Liabilities

Notes payable	$ 350,000	$ 240,000
Accts. payable & accruals	2,182,839	3,138,647
Curr. Liabilities	$ 2,532,839	$ 3,378,647
Long-term debt	1,500,000	772,000
Lease obligations for closed stores	36,268	41,310
Accounts payable	720,115	—
+ Common stock	99,626	99,626
Add. paid-in capital	1,685,988	1,685,988
Retained earnings	(1,861,681)	(318,593)
Total Liabilities & Shareholders' Equity	$ 4,713,155	$ 5,658,978

* At lower of cost (retail method) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

Sales to Inventories	4.87	3.79
Working Capital	$ 734,100	$ 439,324
Current Ratio	1.29	1.13
Shareholders' Equity (Deficiency)	$ (76,067)	$1,467,021

The Firestone Tire & Rubber Company

1200 Firestone Parkway
Akron, Ohio 44317
(216) 379-7000

Officers: John J. Nevin, chairman of the board & chief executive officer; J. Robert Anderson, sr. v.p. & chief financial officer; Harold L. Henderson, sr. v.p. & general counsel; James H. Bolender, v.p. & controller; John E. Rooney, treasurer; Laurance T. Burden, v.p.-management information services; Roy H. Gilbert, v.p.-strategic planning; Donald L. Groninger, v.p.-human resources; Clark E. Stair, v.p.-technology & administration; Randall D. Luke, secretary & associate general counsel; John E. Rooney, treasurer; T. Jane Robinson, Thomas M. Forman, A. Mosby Harvey, Jr., David A. Thomas, Jerry C. Zemen, assistant secretaries; Peter W. Chehcyl, James D. Oelschlager, asst. treasurers; Dallas E. Stiles, Donald B. Hutchins, assistant controllers.

Directors: John J. Nevin*, chairman; Jay H. Rosenson*, Leon R. Brodeur*, vice chairman; Kimball C. Firestone*, Richard Laster, Donald S. Perkins, William G. Phillips, Paul A. Vatter, M. Brock Weir*, J. Tylee Wilson*, J. Robert Anderson, Lois Dickson Rice, Raymond C. Tower.

* Member of the Executive Committee.

Business Activities: The Company operates 1,300 retail stores which sell tires and related products and services throughout the United States.

Transfer Agent(s):

Manufacturers Hanover Trust Company
Stock Transfer Department
P.O. Box 24935
Church Street Station
New York, New York 10249

Stock Exchange(s): New York, Midwest, Pacific, American

Ticker Symbol: FIR

Number of Stores: (at fiscal year end)

1984	1,500	1981	1,300
1983	1,500	1980	1,400
1982	1,300		

Sales and Earnings

	Net Sales + (000's)	Net Income ‡ (000's)
1984	$ 4,001,000	$ 102,000
1983	3,669,000	111,000
1982	3,702,000	6,000
1981	4,174,000	152,000
1980	4,529,000	—

	No. of Com. Shares	Earn. per Share ‡
1984	43,392,273	$ 2.21
1983	48,429,503	2.26
1982	51,984,018	0.11
1981	57,723,240	2.63
1980	57,704,478	—

+ Of continuing operations only.
‡ Including extraordinary tax credits of $13,000,000 ($0.29 per share) in 1984, $11,000,000 ($0.23 per share) in 1983, $4,000,000 ($0.07 per share) in 1982, $6,000,000 ($0.11 per share) in 1981 and $16,100,000 ($0.27 per share) in 1980.

Revenues By Line of Business

	1984	1983
Tires & related prods.		
North American group	$ 2,738,000	$ 2,540,000
International group	831,000	816,000
Diversified products	432,000	313,000
Total	$ 4,001,000	$ 3,669,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.80	—	—
1983	0.60	—	—
1982	0.60	—	—

1981	0.60	—	—
1980	0.30	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1984	$ 1,236,000	$ 28.56
1983	1,291,000	26.69
1982	1,303,000	25.30
1981	1,427,000	24.72
1980	1,337,000	23.77

Income Account *
(000's)

Year ended Oct. 31	1984	1983
Net sales	$ 4,001,000	$ 3,669,000
Cost of sales	3,187,000	2,839,000
Expenses	728,000	667,000
For. curr. trans.	15,000	1,000
Interest expense	43,000	66,000
Interest income	(29,000)	(23,000)
Other income	(47,000)	(32,000)
Income before taxes	$ 104,000	$ 151,000
Income taxes	41,000	63,000
Inc.-cont. oper.	$ 63,000	$ 88,000
Inc.-discont. oper.	26,000	12,000
Net Income	$ 89,000	$ 100,000
Extraordinary credit	13,000	11,000
Net Income & extraordinary credit	$ 102,000	$ 111,000

* Included in Costs and Expenses: Depreciation $133,000,000 in 1984 and $124,000,000 in 1983.

Assets
(000's)

As of Oct. 31	1984	1983
Cash & short-term invest.	$ 126,000	$ 366,000
Accts. reciev., net	526,000	660,000
*Inventories	554,000	455,000
Prepaid expenses	82,000	80,000
Current Assets	$ 1,288,000	$ 1,561,000
Investments	39,000	35,000
#Fixed assets	1,131,000	1,053,000
Other assets	113,000	80,000
Total Assets	$ 2,571,000	$ 2,729,000

Liabilities
(000's)

Loan payable	$ 56,000	$ 24,000
Long-term debt, curr.	53,000	63,000
Accts. payable	301,000	286,000
Accrued comp.	193,000	182,000
Taxes	130,000	110,000
Other accruals	201,000	228,000
Curr. Liabilities	$ 934,000	$ 893,000
Long-term debt	240,000	381,000
Minority interest	48,000	54,000
Deferred inc. taxes	113,000	110,000
+ Common stock	63,000	63,000
Add. paid-in capital	187,000	190,000
Retained earnings	1,395,000	1,330,000
Foreign curr. trans.	(130,000)	(101,000)
Treasury stock	(279,000)	(191,000)
Total Liabilities & Shareholders' Equity	$ 2,571,000	$ 2,729,000

* At lower of cost or market. Domestic inventories at LIFO: all others at methods which approximate average cost.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Net Income to Equity	7.20	7.75
Sales to Inventories	7.22	8.06
Working Capital	$ 354,000,000	$ 668,000,000
Current Ratio	1.38	1.75
Shareholders' Equity	$1,236,000,000	$1,291,000,000

First National Supermarkets, Inc.

17000 Rockside Road
Maple Heights, Ohio 44137
(216) 587-7100

Officers: Richard J. Bogomolny, chairman of the board & chief executive officer; Robert T. Samuels, president & chief operating officer; M. Michael Charnas, sr. v.p., chief financial & administrative officer; Frank McDonald, v.p.-labor management affairs; Donald A. DeSantis, v.p. & controller; John A. Shields, sr. v.p. & president-Pick-N-Pay and Edwards of Ohio; Thomas G. Sternberg sr. v.p. & president-Finast and Edwards East; Robert W. Sullivan, v.p., gen. counsel & secretary; George F. McPhillips, v.p.-real estate; Philip Doherty, v.p. & treasurer.

Directors: Richard J. Bogomolny, chairman; Milton Kravitz, Martin M. Lewis, Maurice Saltzman, Allan K. Shaw, Henry Weigl, Robert L. Bogomolny, Robert T. Samuels.

Business Activities: Operates a chain of food stores known as Pick-N-Pay, Finast, and Edwards in Ohio, Maine, New Hampshire, Vermont, Massachusetts, Connecticut and New York.

Divisions:

Ohio Division
17000 Rockside Road
Maple Heights, Ohio 44137
(216)587-7100

Operates supermarkets in Ohio; a 50% interest in Dinner Bell Meats, Inc., a distribution, processing and boxed beef facility, supplies the Ohio Division's meat requirements and a significant portion of the eastern division's needs.

Eastern Division
500 North Street
Windsor Locks, Connecticut 06096
(203) 627-0241

Transfer Agent(s):

AmeriTrust Company
900 Euclid Avenue
Cleveland, Ohio 44101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: FOOD (NASDAQ)

Number of Stores: (at fiscal year end)

1984	148	1981	169
1983	155	1980	247
1982	164		

Sales and Earnings

	Net Sales	Net Income †
1984*	$1,276,976,000	$ 1,194,000
1983	1,267,563,000	11,837,000
1982	1,201,258,000	(4,480,000)
1981	1,230,173,000	10,042,000
1980	1,364,797,000	4,561,000

	No. of Com. Shares #	Earn per Share #
1984*	2,896,000	$ 0.41
1983	3,011,000	3.93
1982	3,216,000	—
1981	4,081,000	2.52
1980	4,312,000	1.08

*53 weeks
† Including extraordinary gain of $2,506,000 ($0.63 per share) in 1980.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.25	—	—
1983	0.02	—	—
1982	0.02	—	—
1981	0.02	—	—
1980	0.02	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984§	$ 46,097,000	$ 16.21
1983	46,806,000 +	15.54
1982	36,121,000 +	11.20
1981	43,270,000 +	10.60
1980	32,686,000 +	7.58

+ After allowing for preferred stock at par value.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended	3/31/84	3/26/83
Net sales	$ 1,276,976	$ 1,267,563
Cost of sales	995,785	987,237
Expenses	285,879	267,785
Other expense	6,118	863
Income (loss) before taxes	$ (10,806)	$ 11,678
Income taxes	—	3,600
Net Income (Loss)	$ (10,806)	$ 8,078

* Included in Costs and Expenses: Depreciation and Amortization: $13,800,000 in 1984 and $11,158,000 in 1983.

Assets
(000's)

As of	3/31/84	3/26/83
Cash	$ 14,944	$ 13,228
Accts. recers., net	8,286	7,634
Receivables	12,000	—
*Inventories	82,940	84,747
Other assets	13,095	7,508
Current Assets	$ 131,265	$ 113,117
#Fixed assets	78,088	42,146
Leased prop. under cap. leases	64,326	57,634
Other assets	6,971	4,629
Total Assets	$ 280,650	$ 217,526

Liabilities
(000's)

Notes payable	$ 3,000	$ —
Accts. payable	71,766	57,824
Accruals	35,383	32,167
Long-term oblig., curr.	7,216	4,676
Curr. Liabilities	$ 117,365	$ 94,667
Long-term debt	56,042	20,517
Cap. lease oblig.	51,675	44,999
Accured costs rel. to store closing	333	496
Other long-term liab.	2,709	2,242
Litigation settlement obligation	6,429	7,440
+ Preferred stock	—	359
+ + Common stock	29	30
Add. paid-in capital	8,872	10,075
Retained earnings	37,697	37,245
Deferred comp. stock plan	(392)	(444)
Treasury stock	(109)	(100)
Total Liabilities & Shareholders' Equity	$ 280,650	$ 217,526

* At cost (LIFO)
# Less accumulated depreciation & amortization
+ $8 par value
+ + $0.01 par value

Statistical Summary

%Income bef. Taxes to Sales	—	0.92
%Net Income to Sales	—	0.64

% Net Income to Equity	—	17.13
Sales to Inventories	15.40	14.96
Working Capital	$13,900,000	$18,450,000
Current Ratio	1.12	1.19
Shareholders' Equity	$46,097,000	$47,165,000

Fisher Foods, Inc.

5300 Richmond Road
Bedford Heights, Ohio 44146
(216) 292-7000

Mailing address:

P.O. Box 46555
Cleveland, Ohio 44146

Officers: Carl H. Lindner, chairman of the board & chief exec. officer; Robert L. Hayden, president & chief operating officer; Robert R. Gerber, sr. v.p. & chief financial officer; Gregory Mays, controller; James E. Evans, v.p. & secretary.

Directors: Wendell Earle, Carl Fazio, Robert L. Hayden, James E. Evans, Carl H. Lindner, Robert C. Lintz, Ronald F. Walker.

Business Activities: The company is a food wholesaler under "Heritage Wholesalers" name and a retailer operating 47 supermarkets under the "Fazio's" name and two deep discount drug and variety stores under the "Jax" name in the Cleveland metropolitan area. The company also operates Omar Bakeries, Inc., and Eagle Ice Cream.

Divisions and Subsidiaries:

Fazio's
5300 Richmond Road
Bedford Heights, Ohio 44146
(216) 292-7000
Operates 47 food supermarkets in northern Ohio.

Eagle Ice Cream Company
90 Broadway
Bedford Heights, Ohio 44146
Packaged ice cream and ice cream products.

Heritage Wholesalers
5300 Richmond Road
Bedford Heights, Ohio 44146
(216) 292-7227
Wholesale supplier of groceries, fresh meat & produce, dairy, frozen foods & general merchandise.

JAX
3360 Linden Road
Rocky River, Ohio 44116
(216) 333-8778
Deep discount drug and variety stores in Cleveland (2).

Omar Bakeries, Inc.
408 Sheldon Street
Columbus, Ohio 43216
(614) 443-6511
Supplies bakery products to the Fazio Divisions as well as outside customers.

Transfer Agent(s):

National City Bank
Corporate Trust Department
P.O. Box 92301-N
Cleveland, Ohio 44101

Stock Exchange(s): New York

Ticker Symbol: FHR

Number of Stores: (at fiscal year end)

1984	49	1981	59
1983	50	1980	140
1982	49		

Sales and Earnings

	Net Sales	Net Income
1984	$ 503,477,000	$ (5,464,000)
1983	506,420,000	509,000
1982	524,328,000	(176,000)
1981	1,492,709,000	21,133,000
1980	1,412,962,000	6,703,000

	No. of Com. Shares	Earn. per Share ‡†
1984	4,988,808	$ —
1983	4,970,308	0.08
1982	4,999,322	—
1981	5,441,724	3.47
1980	6,291,679	1.05

(Loss)

‡ Based on the average number of common shares outstanding.

† Including extraordinary gains of $201,000 ($0.04 per share) in 1983, $1,210,000 in 1982 and extraordinary loss of $8,772,000 ($1.61 per share) in 1981.

Common Stock

—	Cash Dividend	Stock Dividend	Stock Split
1984	$0.05	—	—
1983	—	—	—
1982	0.625	—	—
1981	0.55	—	—
1980	0.40	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 68,747,000	$ 13.78
1983	74,188,000	14.93
1982	72,987,000	14.60
1981	85,066,000	15.63
1980	77,858,000	12.94

‡ After allowing for preferred stock at redemption value of $105 per share.

Income Account *
(000's)

Year ended	12/29/84	12/31/83
Net sales	$ 503,477	$ 506,420
Other income	8,551	7,977
Unrealized losses on securities	—	(480)
Total Income	$ 512,028	$ 513,917
Cost of sales	404,149	401,490
Expenses	109,693	111,810
Interest expenses	3,230	3,060
Prov. for closed facil.	700	—
Loss bef. taxes	$ (5,744)	$ (2,443)
Tax credit	(280)	(2,751)
Net Income (Loss)	$ (5,464)	$ 308
Extraord. gain	—	201
Net Income (Loss) & Extraord. Gain	$ (5,464)	$ 509

* Included in Costs and Expenses, Depreciation and Amortization: $8,257,000 in 1984 and $9,037,000 in 1983.

Assets
(000's)

As of	12/29/84	12/31/83
Cash	$ 38,606	$ 33,193
Marketable securities	—	4,357
Accts. receiv., net	8,805	10,010
*Inventories	27,570	35,448
Prepaid expenses	4,699	5,321
Deferred income taxes	3,955	5,569
Current Assets	$ 83,635	$ 93,898
Investments & other assets	4,163	5,051
#Fixed assets	67,628	76,393
Total Assets	$ 155,426	$ 175,342

Liabilities
(000's)

Long-term debt, curr.	$ 1,342	$ 1,010
Oblig. under capital leases, curr.	998	974
Accts. payable	19,917	25,751
Accruals	9,861	10,573
Income taxes	187	1,738
Other taxes	2,957	3,003
Clos. facil. reserve	1,875	1,424
Litig. settle. res., curr.	1,617	1,340
Curr. Liabilities	$ 38,754	$ 45,813
Litigation settlement reserve	5,961	7,378
Long-term debt	17,124	19,033
Oblig. under capital leases	15,409	16,783
Other liabilities	3,016	4,613
Deferred inc. taxes	4,604	5,607
+ Preferred stock	1,811	1,927
+ + Common stock	4,989	4,970
Add. paid-in capital	1,137	902
Retained earnings	63,350	69,155
Treasury stock	(729)	(839)
Total Liabilities & Shareholders' Equity	$ 155,426	$ 175,342

* At lower of cost (LIFO) or market.

# Less accumulated depreciation and amortization.

+ No par value, $5 cumulative.

+ + No par value.

Statistical Summary

% Net Income to Sales	—	0.06
% Net Income to Equity	—	0.40
Sales to Inventories	18.26	14.29
Working Capital	$44,881,000	$48,085,000
Current Ratio	2.16	2.05
Shareholders' Equity	$70,558,000	$76,115,000

Food Lion Stores, Inc.

(formerly Food Town Stores, Inc.)

Harrison Road
P.O. Box 1330
Salisbury, North Carolina 28145
(704) 633-8250

Officers: Ralph W. Ketner, chairman of the board & chief executive officer; Tom E. Smith, president & chief operating officer; Jerry W. Helms, senior v.p.; Allyn D. Adams, v.p.-meat operations; A. Edward Benner, Jr., v.p.-management information systems; James H. Goodwin, Jr., v.p.-distribution & purchasing; Kenneth Harris, v.p.-perishable operations; Robert R. McAuliffe, Jr., v.p.-real estate; Spencer D. Storie, v.p.-store planning & development; Vincent G. Watkins, v.p.-special projects & development; Eugene R. McKinley, v.p.-human resources; Thomas R. Crabtree, v.p.-advertising; George S. Seger, v.p.-loss prevention; Brian P. Woolf, v.p.-finance & secretary; Daniel Boone, treasurer & asst. secretary.

Directors: Ralph W. Ketner, chairman; Tom E. Smith, Guy Beckers, Jacques Le Clerq, Gui de Vaucleroy, Thomas M. Caddell, Brian P. Woolf, Jerry A. Helms, Charles de Cooman d'Herlickhove, Raymond Max Boone.

Business Activities: Operates a chain of supermarkets in South Carolina, Georgia, Virginia, Maryland, Tennessee and North Carolina under the name Food Lion.

Transfer Agent(s):

Citizens & Southern National Bank
Atlanta, Georgia

Stock Exchange(s): Over-the-Counter

Ticker Symbol: FOLN A, FOLN B (NASDAQ)

Number of Stores: (at fiscal year end)

1984	251	1981	141
1983	226	1980	106
1982	182		

Food Lion Stores, Inc.

Sales and Earnings

	Net Sales	Net Income
1984	$1,469,564,000	$ 37,305,000
1983	1,172,459,430	27,717,761
1982	947,073,495	21,854,911
1981	666,847,735	19,317,497
1980*	543,882,502	15,287,237

	No. of Com. Shares #	Earn. per Share #
1984	52,577,000	$ 0.71
1983	52,370,000	0.53
1982	52,158,000	0.42
1981	51,848,000	0.37
1980*	51,542,000	0.30

* 53 weeks

# Based on weighted average number of shares outstanding adjusted to reflect stock split and stock recapitalization

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1984	$0.058	—	—
1983	0.048	—	—
1982	0.04	—	3 for 1
1981	0.033	—	—
1980	0.027		

† Adjusted to reflect stock split and stock recapitalization

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 163,420,000	$ 3.11
1983	123,633,999	2.36
1982	97,803,145	1.88
1981	77,835,991	1.50
1980	59,789,649	1.16

# Based on the weighted average number of shares outstanding adjusted to reflect stock split and stock recapitalization

Income Account

Year ended	12/29/84	12/31/83
Net sales	$1,469,564,000	$1,172,459,430
Cost of sales	1,206,864,000	968,885,427
Expenses	169,514,000	134,426,405
Depreciation & amortization	16,702,000	14,075,290
Interest expense	5,079,000	4,605,547
Income before taxes	$ 71,405,000	$ 50,466,761
Income taxes	34,100,000	22,749,000
Net Income	$ 37,305,000	$ 27,717,761

Assets

As of	12/29/84	12/31/83
Cash	$ 24,434,000	$ 5,152,042
Receiv., net	15,567,000	11,618,645
*Inventories	136,657,000	118,264,752
Prepaid expenses	1,373,000	878,958
Current Assets	$ 178,031,000	$ 135,914,397
#Fixed assets	153,146,000	128,288,946
Unexpended construction funds		10,000,000
Total Assets	$ 331,177,000	$ 274,203,343

Liabilities

Notes payable	$ —	$ 19,889,000
Long-term debt, curr.	927,000	1,410,490
Accts. payable	57,415,000	44,258,711
Accruals	37,724,000	23,439,961
Income taxes	7,513,000	4,860,924
Curr. por. of oblig. under cap. leases	1,077,000	952,654
Curr. Liabilities	$ 104,656,000	$ 94,811,740
Long-term debt	32,430,000	27,763,744
Deferred income taxes	1,163,000	810,407
Oblig. under cap. lease	18,875,000	18,448,754
Deferred inc. taxes	10,633,000	8,734,699
+ Class A common stock	13,358,000	13,124,500
+ Class B common stock	13,160,000	13,124,500
Add. paid-in capital	5,273,000	27,463
Retained earnings	131,629,000	97,357,536
Total Liabilities & Shareholders' Equity	$ 331,177,000	$ 274,203,343

* At lower of cost (primarily LIFO) or market

# Less accumulated depreciation and amortization

+ $0.50 par value

Statistical Summary

%Income bef. Taxes to Sales	4.86	4.30
%Net Income to Sales	2.54	2.36
%Net Income to Equity	22.83	22.43
Sales to Inventories	10.75	9.91
Working Capital	$73,375,000	$ 41,102,657
Current Ratio	1.70	1.43
Shareholders' Equity	$163,420,000	$123,633,999

Foodarama Supermarkets, Inc.

303 West Main Street
Box 592
Freehold, New Jersey 07728
(201) 462-4700

Officers: Joseph J. Saker, chairman of the board & president; Sidney Cohen, sr. v.p.-administration, real estate & corporate planning and asst. secretary; Robert V. Condon, v.p.-sales & merchandising; Richard Saker, sr. v.p.-operations; John J. McAteer, sr. v.p.-personnel & labor relations; Joseph C. Troilo, sr. v.p.-finance; Mary Saker, secretary & treasure.

Directors: Joseph J. Saker*, chairman; Arthur M. Borden; Sidney Cohen*; John W. Hurley; Mary Saker*; Harold A. Stoller

* Member of the Executive Committee

Business Activities: Operates Foodarama Supermarkets, under the Shop-Rite name, New York, New Jersey, Connecticut, and Pennsylvania. Also operates one liquor store, two garden centers, and in-store pharmacies.

Transfer Agent(s):

National Westminster Bank U.S.A.
80 Pine Street
New York, New York 10005

Stock Exchange(s): American.

Ticker Symbol: FSM

Number of Stores: (at fiscal year end)

1984	28	1981	35
1983	31	1980	41
1982	34		

Sales and Earnings

	Net Sales ‡	Net Income
1984*	$ 450,748,000	$ 210,000
1983	439,971,000	155,000
1982	425,961,000	1,153,000
1981	421,508,000	788,000
1980	412,890,000	(1,290,000)

	No. of Com. Shares #	Earn. per Share #
1984*	1,341,059	$ 0.16
1983	1,341,277	0.12
1982	1,343,308	0.86
1981	1,343,226	0.59
1980	1,343,301	—

(Loss)

* 53 weeks

‡ Of continuing operations only

# Based on the weighted average number of common shares outstanding during each year

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 22,288,000	$ 16.62
1983	22,080,000	16.46
1982	21,928,000	16.32
1981	20,782,000	15.47
1980	19,995,000	14.88

+ Based on the weighted average number of common shares outstanding during each year

Income Account *

Year ended	11/3/84	10/29/83
Net sales	$ 450,748,000	$ 439,971,000
Cost of sales	354,211,000	347,805,000
Expenses	94,757,000	90,624,000
Oper. profit	$ 1,780,000	$ 1,542,000
Interest expense	1,445,000	1,417,000
Income before taxes	$ 335,000	$ 125,000
Income taxes (credit)	125,000	(30,000)
Net Income	$ 210,000	$ 155,000

* Included in Costs and Expenses, Depreciation $3,901,000 in 1984 and $3,439,000 in 1983

Assets

As of	11/3/84	10/29/83
Cash	$ 4,143,000	$ 4,211,000
Short-term investments	4,947,000	—
Recеiv., net	2,961,000	3,453,000
*Inventories	19,110,000	18,788,000
Current Assets	$ 31,161,000	$ 26,452,000
Investments	4,403,000	4,553,000
Receivables	816,000	725,000
#Fixed assets	24,259,000	22,702,000
Intangibles	2,153,000	2,325,000
Total Assets	$ 62,792,000	$ 56,757,000

Liabilities

Notes payable	$ 825,000	$ 400,000
Long-term debt, curr.	4,468,000	3,064,000
Accts. payable	19,579,000	13,904,000
Accruals	5,272,000	4,561,000
Income taxes	152,000	80,000
Curr. Liabilities	$ 30,296,000	$ 22,009,000
Long-term debt	9,982,000	12,482,000
Deferred inc. taxes	226,000	186,000
+ Common stock	1,621,000	1,621,000
Add. paid-in capital	2,347,000	2,347,000
Retained earnings	20,093,000	19,883,000
Treasury stock	(1,773,000)	(1,771,000)
Total Liabilities & Shareholders' Equity	$ 62,792,000	$ 56,757,000

* At lower of cost (FIFO) or market

# Less accumulated depreciation

+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	0.07	0.03
%Net Income to Sales	0.05	0.04
%Net Income to Equity	0.94	0.70
Sales to Inventories	23.59	23.42
Working Capital	$ 865,000	$ 4,443,000
Current Ratio	1.03	1.20
Shareholders' Equity	$22,288,000	$22,080,000

Forest City Enterprises, Inc.

10800 Brookpark Road
Cleveland, Ohio 44130
(216) 267-1200

Officers: Max Ratner, chairman of the board; Samuel H. Miller, vice chairman of the board & treasurer; Albert B. Ratner, president; Alan S. Ellett, William E. Harris, Charles A. Ratner, Nathan Shafran, exec. v.p.'s; Paul Lipman, sr. vice president; William Warren, sr. vice president & general counsel; Lloyd T. Will, v.p. & controller; Helen F. Morgan, v.p. & secretary; Gilles A.E. Stucker, sr. v.p. finance; Albert L. Reisenfeld, assoc. general counsel.

Directors: Samuel H. Miller, Harry O. Schloss, Jr., Albert B. Ratner, Charles A. Ratner, Max Ratner, William Serne, Jr., Nathan Shafran, J. Maurice Struchen, Alan S. Ellett, Jerry V. Jarrett, James A. Ratner, Lyman H. Treadway.

Business Activities: Engaged in real estate construction, ownership and management, land development and marketing. Operates a chain of "do-it-yourself" home building supplies stores in the Cleveland-Akron, Detroit and Chicago areas. Also engaged in wholesale lumber operations and the sale of other building materials through joint ventures.

Divisions and Subsidiaries:

Forest City Trading Group
Portland, Oregon

Forest City Management, Inc.
Cleveland, Ohio

Forest City Dillon, Inc.
Cleveland, Ohio

Forest City Land Division - Sunrise Land Co.
Cleveland, Ohio

Forest City Retail Division
Cleveland, Ohio

The Forest City Capital Corporation
Cleveland, Ohio

Forest City Rental Properties Corporation
Cleveland, Ohio

Forest City Credit Corp.
Cleveland, Ohio

Transfer Agent(s):

The AmeriTrust Company
900 Euclid Avenue
Cleveland, Ohio 44101

Stock Exchange(s): American

Ticker Symbol: FCEA and FCEB

Number of Stores: (at fiscal year end)

1984	22	1981	21
1983	20	1980	21
1982	20		

Sales and Earnings

	Net Sales ‡	Net Income
1985	$ 264,517,000	$ 4,883,000
1984	248,955,000	4,179,000
1983	269,528,000	6,391,000
1982	279,222,000	(2,923,000)
1981	249,446,000	1,406,000

	No. of Com. Shares ‡‡	Earn. per Share ‡‡
1985	7,948,268	$ 0.61
1984	7,948,784	0.52
1983	8,002,836	0.80
1982	8,098,344	—
1981	8,098,294	0.17

‡ Includes operating revenues
‡‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split

Revenues By Line of Business

	1985	1984
Specialty retailing:		
Retail stores	$ 160,057	$ 129,711
Building materials	(23)	2,706
Lumber brokerage	36,296	31,198
Merchant building & development		
Constraction and housing	48,992	68,568
Land sales	13,119	12,507
Other	6,076	4,265
Total	$ 264,517	$ 248,955

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.24	—	—
1984	0.22	—	2 for 1
1983	0.10	—	—
1982	0.10	—	—
1981	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share †
1985	$ 65,112,000	$ 8.19
1984	61,187,000	7.70
1983	57,899,000	7.28
1982	52,825,000	6.52
1981	56,153,000	6.93

† Adjusted to reflect stock split

Income Account *
(000's)

Year ended Jan. 31	1985	1984
Net sales	$ 264,517	$ 248,955
Other income	2,966	3,792
Eq. in inc. (loss) of 50% or less owned entities	(116)	357
Gain (loss) on sale of assets	(541)	353
Total Income	$ 266,826	$ 253,457
Cost of sales	151,939	150,114
Expenses	105,731	92,355
Interest expense	10,927	9,220
Inc. (loss) bef. taxes	$ (1,771)	$ 1,768
Income taxes (credit)	(481)	1,054
Equity in earnings-unconsol. subsid.	(6,173)	(3,465)
Net Income	$ 4,883	$ 4,179

* Included in Costs and Expenses, Depreciation and Amortization: $2,950,000 in 1985 and $2,229,000 in 1984.

Assets
(000's)

As of Jan. 31	1985	1984
Cash	$ 4,837	$ 3,033
Notes & accounts receiv.	100,371	101,605
Refund. inc. taxes	917	2,479
*Inventories	79,208	68,031
Prepaid expenses	4,669	1,769
Current Assets	$ 190,002	$ 176,917
Real estate for sale & develop.	43,961	46,001
Investments	41,043	27,626
#Fixed assets	18,798	9,558
Other assets	6,013	3,025
Total Assets	$ 299,817	$ 263,127

Liabilities
(000's)

	1985	1984
Notes & loans payable	$ 40,478	$ 31,485
Long-term debt, curr.	2,457	5,769
Accts. payable & accruals	121,928	106,692
Income taxes	121	287
Curr. Liabilities	$ 164,984	$ 144,233
Long-term debt	25,648	865
Other liabilities	44,073	53,421
+Common stock		
Class A	1,350	1,337
Class B	1,299	1,312
Add. paid-in capital	7,229	7,229
Retained earnings	55,234	51,309
Total Liabilities & Shareholders' Equity	$ 299,817	$ 263,127

* At lower of cost (LIFO) or market
# Less accumulated depreciation and amortization
+ $0.33⅓ par value

Statistical Summary

%Net Income to Sales	1.85	1.67
%Net Income to Equity	7.50	6.83
Working Capital	$25,018,000	$32,684,000
Current Ratio	1.15	1.23
Shareholders' Equity	$65,112,000	$61,187,000

Fotomat Corporation

205 9th Street North
St. Petersburg, Florida 33701

Officers: Ross E. Roeder, chairman of the board & chief executive officer; Shigeru Suzuki, president & chief operating officer; David A. Easterman, v.p.-finance and chief financial officer; John R. Gross, v.p. and controller; William E. Kirkman, v.p.-retail operations and marketing; John H. Lauer, v.p.-processing services & business development; Dennis L. Chiavelli, v.p.-real estate; Michael H. Alden, v.p., gen. cousel & asst. secretary; Dan N. Daniel, Thomas A. Meyer, William J. Meyer, v.p.'s-dealer division.

Directors: Ross E. Roeder, chairman; Daniel Saxe, Jr., Edward H. Martin, Kikutaro Yasuda, John B. Lake, Tomiji Vematsu, Teruyuki Watanabe.

•

Business Activities: The Company is engaged in the retail sale of film processing services and the retail sale of photographic and video products.

Transfer Agent(s):

Manufacturers Hanover Trust Company of California
San Francisco, California

Stock Exchange(s): New York, Pacific

Ticker Symbol: FOT

Number of Retail Outlets: (at fiscal year end)

	Company Owned	Franchised	Camera Stores
1984	2,783	40	—
1983	3,672	63	42
1982	3,604	87	32
1981	3,701	92	30
1980	3,703	92	26

Sales and Earnings

	Net Sales	Net Income
1985	$ 180,543,000	$ (14,341,000)
1984	236,495,000	(38,266,000)
1983	260,993,000	(10,923,000)
1982	256,620,000	2,843,000
1981	236,714,000	734,000

	No. of Com. Shares #	Earn. per Share #
1985	10,076,000	$ —
1984	9,450,000	—
1983	8,916,000	—
1982	8,973,000	0.32
1981	8,877,000	0.08

(Loss)
# Based on the number of common shares and common share equivalents outstanding.

Fotomat Corporation

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ (9,967,000)	$ —
1984	4,280,000	0.45
1983	41,200,000	4.62
1982	49,006,000	5.46
1981	45,780,000	5.16

(Deficiency)

Income Account *
(000's)

Year ended Jan. 31	1985	1984
Net sales	$ 180,543	$ 236,495
Cost of sales	77,230	101,721
Expenses	114,642	172,771
Interest expense	4,096	3,410
Gain on sale of assets	(558)	(2,477)
Loss before taxes	$ (14,867)	$ (43,884)
Tax credit	(526)	(5,618)
Net Loss	$ (14,341)	$ (38,266)

* Included in Costs and Expenses, Depreciation and Amortization: $9,569,000 in 1984 and $13,002,000 in 1983.

Assets
(000's)

As of Jan. 31	1985	1984
Cash	$ 3,711	$ 5,298
Accts. receiv., net	4,610	3,879
Refundable inc. taxes	1,684	1,516
*Inventories	9,329	10,211
Other curr. assets	630	286
Current Assets	$ 19,964	$ 21,190
#Fixed assets	37,431	49,926
Reacq. franchises	1,771	2,331
Intangible assets	3,615	3,777
Other assets	573	594
Total Assets	$ 63,354	$ 77,818

Liabilities
(000's)

Bank loan	$ 18,000	$ 12,500
Long-term debt, curr.	2,866	3,813
Accts. payable	14,917	8,483
Accrued payroll	2,274	3,062
Other accruals	13,164	19,583
Curr. Liabilities	$ 51,221	$ 47,441
Long-term debt	8,514	12,843
Indebtedness to related party	13,500	13,500
Other liab.	86	114
+ Common stock	1,010	1,004
Add. paid-in capital	35,579	35,491
Accumulated deficit	(46,556)	(32,215)
Total Liabilities & Sharehdolders' Equity	$ 63,354	$ 77,818

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Fox-Stanley Photo Products, Inc.

8750 Tesoro Drive
San Antonio, Texas 78286
(512) 828-9111

Officers: Carl D. Newton, Jr., chairman of the board; Carl D. Newton, III, president; John L. Brack, sr. v.p., chief financial officer & secretary; Clayton G. Severance, Gary Greenberg, Benjamin A. Short, Michael J. Kelly, Pat LeMay Burr, sr. v.p.'s; James M. Grant, v.p. & secretary; Edwin C. Honeck, v.p.; William C. Maddox, v.p. & controller; Kenneth W. Aylesworth, Glynn Bloomquist, Ted de Burh, Don Harman, Lloyd E. Swiggum, George D. Flood, III, Thomas McEvoy, sr. v.p.'s; Michael P. Anton, Leo H. Breslin, Ron Caldcleugh, James D. Collins, Randy P. Everett, Vincent P. Howard, Helen Kasberg, Rebecca A. Lucas, Thomas L. Mewhiter, Robert F. Naber, Howard Peachey, David H. Reimer, William C. Richardson, Jr., Frank Turner, Byde Fuller, Steven Becker, John A. Lozano, John R. McLaughlin, Thomas L. Mewhirter, Jeffery Pickering, Richard M. Tomsett, David Aderhold, v.p.'s.

Directors: Carl D. Newton, Jr.*, Morris H. Wright, Clayton G. Severance*, Richard T. Davis, Carl D. Newton, III*, Gene Engleman, Stanley Marcus, Christopher Gill, Christopher Goldsbury, Jr., L. William Hollingsworth, Jr., Ricardo Longoria.

* Member of the Executive Committee.

Business Activities: Operates a chain of camera and photoprocessing-photo finishing stores. These stores operate under the name "Fox Photo". Also conducts a mail order photofinishing business and wholesale photofinishing operations. Also operates 45 retail stores specializing in greeting cards and party goods. These stores are called Fox Photo Card & Quill and Fox Photo Hallmark.

Transfer Agent(s):

Texas Commerce Bank, N.A.
Houston, Texas

Morgan Guaranty Trust Company
New York, New York

Stock Exchange(s): New York

Ticker Symbol: FSP

Number of Stores: (at fiscal year end)

1985	853	1982	941
1984	1,181	1981	896
1983	896		

Sales and Earnings

	Net Sales	Net Income
1985	$ 166,627,000	$ 2,745,000
1984	152,186,000	1,678,000
1983*	165,927,000	5,431,000
1982	165,474,000	5,238,000
1981	153,548,000	6,246,000

	No. of Com. Shares	Earn. per Share ‡
1985	3,157,798	$ 0.87
1984	3,146,415	0.49
1983*	3,522,784	1.54
1982	3,512,663	1.49
1981	3,489,094	1.80

* 53 weeks.
‡ Based on the weighted average number of common shares outstanding.

Revenues By Line of Business
(000's)

	1985	1984
Dealer segment	$ 78,919	$ 65,432
Retail photo	81,078	79,612
Retail card & gift	—	—
Special markets	6,630	7,142
Total	$ 166,627	$ 152,186

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.68	—	—
1984	0.68	—	—
1983	0.68	—	—
1982	0.68	—	—
1981	0.68	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 48,517,950	$ 15.36
1984	47,817,425	15.20
1983	53,788,937	15.27
1982	50,906,921	14.49
1981	47,609,519	13.65

Income Account *

Year ended March 31	4/27/85	4/28/84
Net sales	$ 166,627,406	$ 152,185,625
Cost of sales	81,492,270	72,949,109
Expenses	82,778,581	79,128,538
Interest expense	1,624,316	302,630
Other income	(1,587,758)	(572,957)
Income before taxes	$ 2,319,997	$ 378,305
Tax credit	(425,000)	(1,300,000)
Net Income	$ 2,744,997	$ 1,678,305

* Included in Costs and Expenses, Depreciation and Amortization: $13,841,530 in 1985 and $11,540,326 in 1984.

Assets

As of	4/27/85	4/28/84
Cash	$ 6,916,829	$ 9,101,110
Accts. receiv., net	12,443,118	8,165,119
*Inventories	8,715,323	8,351,841
Prepaid expenses	3,299,271	2,115,625
Current Assets	$ 31,374,541	$ 27,733,695
#Fixed assets	65,399,976	50,966,176
Other assets	3,492,411	2,456,930
Intangibles	16,491,646	14,353,344
Total Assets	$ 116,758,574	$ 95,510,145

Liabilities

Long-term debt, curr.	$ 2,174,658	$ 299,399
Accts. payable & accruals	28,918,058	25,208,193
Curr. Liabilities	$ 31,092,716	$ 25,507,592
Long-term debt	32,675,347	18,465,952
Deferred inc. taxes	4,472,561	3,719,176
+ Common stock	3,576,016	3,564,633
Add. paid-in capital	7,636,026	7,548,662
Retained earnings	43,006,453	42,404,675
Treasury stock	(5,700,545)	(5,700,545)
Total Liabilities & Shareholders' Equity	$ 116,758,574	$ 95,510,145

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.39	0.25
%Net Income to Sales	1.65	1.10
%Net Income to Equity	5.66	3.51
Sales to Inventories	19.12	18.22
Working Capital	$281,825,000	$ 2,226,103
Current Ratio	1.01	1.09
Shareholders' Equity	$48,517,950	$47,817,425

Frederick's of Hollywood, Inc.

6608 Hollywood Boulevard
Hollywood, California 90028
(213) 466-5151

Officers: George W. Townson, chairman & chief executive officer; Robert W. Hansen, president & chief operating officer; Joseph A. Nussbaum, v.p.; Colleen Menerey, v.p.-finance & treasurer; Ronald G. Pearson, asst. treasurer & controller; Morton R. Field, secretary; Nitin Parikh, asst. v.p.-corporate planning and analysis; Katherine C. Klein, asst. v.p.-personnel; Gerold R. Tarakajian, asst. v.p.-management information systems.

Directors: Morton R. Field, Harriett Mellinger, Hugh Hunter, William J. Barrett, Richard O. Starbird, Sylvan Lefcoe.

Business Activities: Engaged in the retail sale of women's wearing apparel through stores in 33 states and mail order.

Transfer Agent(s):

U.S. Stock Transfer Corp.
Glendale, California

Stock Exchange(s): American

Ticker Symbol: FHO

Number of Stores: (at fiscal year end)

1984	147	1981	128
1983	140	1980	121
1982	136		

Sales and Earnings

	Net Sales	Net Income
1984	$ 45,291,000	$ 627,000
1983	44,349,000	1,039,000
1982*	41,552,000	1,463,000
1981	39,300,000	2,231,000
1980	32,614,000	1,701,000

	No. of Com. Shares +	Earn. per Share +
1984	1,656,000	$ 0.38
1983	1,655,000	0.63
1982*	1,643,000	0.89
1981	1,632,000	1.37
1980	1,626,000	1.05

* 53 weeks.
+ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.30	—	
1983	0.39	5%	—
1982	0.36	10%	—
1981	0.34	—	—
1980	0.30		

+ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 13,023,000	$ 7.86
1983	12,893,000	7.79
1982	12,479,000	7.60
1981	11,571,000	7.09
1980	9,853,000	6.06

+ Adjusted to reflect stock dividends.

Income Account *

Year ended	9/2/84	9/4/83
Net sales	$ 45,291,000	$ 44,349,000
Cost of sales	25,773,000	24,162,000
Expenses	18,508,000	18,367,000
Other income	(127,000)	(161,000)
Income before taxes	$ 1,137,000	$ 1,981,000
Income taxes	510,000	942,000
Net Income	$ 627,000	$ 1,039,000

* Included in Costs and Expenses, Depreciation and Amortization: $971,000 in 1984 and $933,000 in 1983.

Assets

As of	9/2/84	9/4/83
Cash	$ 2,994,000	$ 3,085,000
Accts. receiv., net	250,000	264,000
Income taxes	672,000	509,000
*Inventories	4,808,000	5,131,000
Prepaid expenses	768,000	894,000
Investments	210,000	229,000
Current Assets	$ 9,702,000	$ 10,112,000
#Fixed assets	6,361,000	6,160,000
Notes receivable	2,094,000	2,018,000
Other assets	100,000	99,000
Total Assets	$ 18,257,000	$ 18,389,000

Liabilities

Accts. payable	$ 2,578,000	$ 2,660,000
Long term debt, curr.	190,000	190,000
Accruals	710,000	803,000
Income taxes		40,000
Curr. Liabilities	$ 3,478,000	$ 3,693,000
Long-term debt	1,234,000	1,424,000
Deferred inc. taxes	522,000	379,000
+ Common stock	1,656,000	1,656,000
Add. paid-in capital	2,019,000	2,019,000
Retained earnings	9,348,000	9,218,000
Total Liabilities & Shareholders' Equity	$ 18,257,000	$ 18,389,000

* At lower of cost (by retail method) or market on the FIFO basis.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

% Income bef. Taxes to Sales	2.51	4.46
% Net Income to Sales	1.38	2.34
% Net Income to Equity	4.81	8.05
Sales to Inventories	9.42	8.64
Working Capital	$ 6,224,000	$ 6,419,000
Current Ratio	279	2.73
Shareholders' Equity	$13,023,000	$12,893,000

Fuqua Industries, Inc.

4900 Georgia Pacific Center
Atlanta, Georgia 30303
(404) 658-9000

Officers: J.B. Fuqua, chairman of the board & chief exec. officer; Lawrence P. Klamon, president & chief operating officer; Dooley E. Culbertson, exec. v.p.; B.L. Goldberg, group v.p.-sporting goods; James M. Bahin, v.p.-finance; John F. Bartels, v.p.-controller; William D. Dodge, v.p.-insurance; James R. Foster, v.p. & treasurer; Mildred H. Hutcheson, v.p.-legal services; John C. McCune, v.p.-operations; Samuel W. Norwood, III, v.p.-corporate development; Hiram M. Nowlan, Jr., secretary; Colin W. Brown, v.p. & general counsel; C. William Samples, v.p.; Donald M. Culbertson, asst. controller; Paul N. Kiel, asst. gen. counsel; James M. Adamovitz, asst. v.p. & director of taxes.

Directors: J. B. Fuqua*, Bernard H. Barnett, James T. Hite, III, Frank W. Hulse, Anthony A. Malizia, Terry Sanford, Carl E. Sanders*, Paul E. Yarbrough, Jr., L. P Klamon*

* Member of the Executive Committee

Business Activities: A diversified manufacturing and service company with operations in the areas of lawn and garden, photo finishing, sporting goods and seating and other products. Operates retail stores under the names: Big Bear, Little Bear and Robertson's, which sell consumer goods for farm, home, and auto needs of rural and suburban customers.

Retail Subsidiary:

Big Bear Farm Stores, Inc.
640 54th Avenue, N
Box 1247
St. Cloud, Minnesota 56301
(612) 251-9000

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
New York, New York

Stock Exchange(s): New York, Pacific

Ticker Symbol: FQA

Number of Stores: (at fiscal year end)

1984	61	1981	46
1983	55	1980	40
1982	49		

Sales and Earnings

	Net Sales + (000's)	Net Income † (000's)
1984	$ 854,594,000	$ 37,494
1983	732,443,000	41,692
1982	607,480,000	19,589
1981	706,744,000	(27,922)
1980	654,604,000	64,553

	No. of Com. Shares ‡	Earn. per Share †‡
1984	10,009,000	$ 3.76
1983	9,812,000	4.26
1982	8,030,000	2.45
1981	25,676,000	—
1980	25,796,000	2.46

(Loss)
+ Includes other revenues, of continuing operations only.
† Including extraordinary gains of $320,000 ($0.03 per share) in 1984, $945,000 ($0.10 per share) in 1983, $2,970,000 ($0.37 per share) in 1982, $301,000 ($0.01 per share) in 1981 and $3,323,000 ($0.12 per share) in 1980.
‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Lawn & garden	$ 235,865	$ 189,933
Photofinishing	153,569	147,182
Sporting goods	246,710	187,829
Seating & other	218,450	207,499
Total	$ 854,594	$ 732,443

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.40	—	—
1983	0.36	—	2-for-1
1982	0.30	—	—
1981	0.30	—	—
1980	0.19	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity (000's)	Equity Per Share †
1984	$ 164,589‡	$ 16.44
1983	130,257‡	13.28
1982	67,663‡	8.43
1981	53,167‡	2.07
1980	270,791*	10.50

* After allowing for Series A and Series B preferred stock at involuntary liquidation values.
‡ After allowing for Series B preferred stock at involuntary liquidation value.
† Based on the average number of shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net Sales & Revenues	$ 854,594	$ 732,443
Cost of sales	605,027	512,976

		1984		1983
Expenses		159,486		139,016
Interest expense		25,085		26,001
Other income		(4,488)		(5,802)
Gain on sale of Pier I		—		(15,557)
Income before taxes	$	69,484	$	75,809
Income taxes		32,310		35,062
Net Income	$	37,174	$	40,747
Extraord. gain		320		945
Net Income & extraord. gain	$	37,494	$	41,692

* Included in Costs and Expenses, Depreciation and Amortization: $20,062,000 in 1984 and $18,421,000 in 1983

Assets
(000's)

As of Dec. 31		1984		1983
Cash	$	17,265	$	20,327
Receivables		172,975		148,270
*Inventories		145,810		123,502
Prepaid expenses		8,057		5,459
Current Assets	$	344,107	$	297,558
Notes receiv.		13,364		14,084
Investments		15,458		21,730
#Fixed assets		113,528		104,131
Intangibles		25,354		25,257
Total Assets	$	511,811	$	462,760

Liabilities

		1984		1983
Notes payable	$	21,000	$	—
Long-term debt & cap lease oblig., curr.		18,850		4,102
Accts. payable & accruals		101,294		104,975
Income taxes		576		2,738
Curr. Liabilities	$	141,720	$	111,815
Long-term debt & cap. lease oblig.		74,945		87,430
Subord. debt		118,368		121,480
Deferred inc. taxes		7,246		6,378
+ Preferred Stock, Series B		190		209
+ Common Stock		9,752		9,665
Add. paid-in capital		15,786		15,100
Retained earnings		152,364		118,370
Treasury stock		(8,560)		(7,687)
Total Liabilities & Shareholders' Equity	$	511,811	$	462,760

* At lower of cost (LIFO) or market
# Less accumulated depreciation
+ $1 par value

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	8.13	10.35
%Net Income to Sales	4.35	5.56
%Net Income to Equity	21.93	30.04
Working Capital	$202,387,000	$185,743,000
Current Ratio	2.43	2.66
Shareholders' Equity	$169,532,000	$135,657,000

The Gap Stores, Inc.

P.O. Box 60
900 Cherry Avenue
San Bruno, California 94066
(415) 952-4400

Officers: Donald G. Fisher, president; Millard S. Drexler, exec. v.p.-merchandising; Maurice W. Gregg, exec. v.p/ & chief financial officer; John P. Carver, sr. v.p.-human resources; Edward A. Strobin, sr. v.p.; Joseph N. Behrendt, v.p.-management information systems; John F. Sweers, v.p.-distribution; Dexter C. Tight, sr. v.p., general counsel & secretary; Alan E. Zimthaum, v.p. & controller; Steven B. Kaplan, v.p.-real estate; Frances A. Ziemniak, v.p.-financial services; David R. Jackson, v.p. & asst. gen. counsel; Harry J. Lindner, treasurer.

Directors: Donald G. Fisher, Maurice W. Gregg, John G. Bowes, Alfred H. Daniels, Doris F. Fisher, Julian A. Ganz, Jr., Richard M. Oster, Brooks Walker, Jr., Stuart G. Moldaw, Henry W. Pattison, Millard S. Dexler

Business Activities: The company is a specialty retailer whose major division is the Gap Stores, a nationwide chain of stores selling moderately prices jeans-related casual and activewear clothing for men and women.

Subsidiaries:

Banana Republic, Inc.
San Francisco, California
Retailer of travel and safari casual wear

Pottery Barn,
Elmsford, New York
Retailer of kitchen and household wares

Transfer Agent(s):

Crocker National Bank
San Francisco, California

Morgan Guaranty Trust Company of New York
New York, New York

Stock Exchange(s): New York, Pacific

Ticker Symbol: GPS

Number of Stores: (at fiscal year end)

1984	623	1981	522
1983	550	1980	472
1982	545		

Sales and Earnings

	Net Sales	Net Income
1985*	$ 534,127,000	$ 12,230,000
1984	480,515,000	21,607,000
1983	444,929,000	18,216,000
1982	417,385,000	11,801,000
1981	369,841,000	11,592,000

	No. of Com. Shares †	Earn. per Share †
1985*	8,445,842	$ 1.45
1984	8,278,177	2.52
1983	7,626,733	2.33
1982	7,590,219	1.55
1981	7,536,816	1.54

* 53 weeks
† Based on the average number of shares outstanding adjusted to reflect stock split

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1985	$0.50	—	—
1984	0.40	—	—
1983	0.35	—	3-for-2
1982	0.293	—	—
1981	0.263	—	—

† Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share †
1985	$ 126,116,000	$ 14.93
1984	121,249,000	14.65
1983	83,671,000	10.97
1982	67,834,000	8.94
1981	57,856,000	7.68

† Based on the average number of shares outstanding adjusted to reflect stock split

Income Account *
(000's)

Year ended		2/2/85		1/28/84
Net sales	$	534,127	$	480,515
Cost of sales		377,214		323,828
Expenses		132,466		113,764
Interest expense		3,932		1,272
Income before taxes	$	20,515	$	41,651
Income taxes		8,285		20,044
Net Income	$	12,230	$	21,607

* Included in Cost and Expenses, Depreciation and Amortization: $12,310,000 in 1985 and $9,633,000 in 1984

Assets
(000's)

As of		2/2/85		1/28/84
Cash & comm. paper	$	10,557	$	33,357
Accts. receiv., net		8,283		4,093
*Inventories		94,887		84,030
Prepaid expenses		5,243		2,943
Property held for resale		1,212		1,105
Current Assets	$	120,182	$	125,528
#Fixed assets		77,357		61,879
Other assets		4,066		3,658
Intangibles		8,070		5,771
Total Assets	$	209,675	$	196,836

Liabilities
(000's)

		2/2/85		1/28/84
Long-term debt, curr.	$	464	$	352
Oblig. under cap. leases, curr.		178		169
Accts. payable		34,791		32,947
Accruals		17,211		19,276
Income taxes		2,704		6,577
Curr. Liabilities	$	55,348	$	59,321
Long-term debt		21,025		10,778
Oblig. under cap. leases		807		985
Deferred credits		6,378		4,503
+ Common stock		422		426
Add. paid-in capital		31,017		30,562
Retained earnings		94,677		90,261
Total Liabilities & Shareholders' Equity	$	209,675	$	196,836

* At lower of cost (FIFO) or market
# Less accumulated depreciation and amortization
+ $0.05 par value

Statistical Summary

	2/2/85	1/28/84
%Income bef. Taxes to Sales	3.84	8.67
%Net Income to Sales	2.29	4.50
%Net Income to Equity	9.70	17.82
Sales to Inventories	5.63	5.72
Working Capital	$64,834,000	$66,207,000
Current Ratio	2.17	2.12
Shareholders' Equity	$126,116,000	$121,249,000

Gendis Inc.

1370 Sony Place
Winnipeg, Manitoba, Canada R3C 3C3
(204) 474-5200

Officers: Albert D. Cohen, pres. & chief exec. officer; G. Allan Mackenzie, exec. v.p.; Harry B. Cohen, Joseph H. Cohen, H. Murray Heselton, John C. Cohen, Morley M. Cohen, v.p.'s; Samuel N. Cohen, v.p. & treasurer; Patrick J.

Matthews, v p finance, William Pounder, comptroller, N Paul Cloutier, secretary, Richard H Brusegard, asst secretary

Directors: Albert D Cohen*, Harry B Cohen, John C Cohen, Joseph H Cohen, Morley M Cohen*, G R Hunter, Samuel N Cohen*, Edson Boyd*, S Ronald Basford, Carl O Nickle, G A MacKenzie*, Fred H McNeil

* Member of the Executive Committee

Business Activities: The Company, through wholly owned subsidiaries, participates in the Canadian merchandising and distribution industry. The Company owns 51% of the common stock in Sony of Canada, Ltd , a joint venture that distributes all Sony products across Canada. The Company also operates 338 junior department and family clothing stores across Canada.

Divisions and Subsidiaries:

Metropolitan Stores of Canada Limited (100% owned)
Property holding company

Metropolitan Stores (M T S) Ltd
Junior department stores

Saan Stores Ltd
1370 Sony Place, Fort Garry
Winnipeg, Manitoba R3C 3C3
Family clothing stores

Greenberg Stores Limited
9150 Park Avenue
Montreal 354, Quebec
Family clothing stores

Miller Electronics
Operates 37 retail outlets in Alberta and British Columbia featuring consumer electronic entertainment products

Sony of Canada Ltd (51% owned)
Canadian distributor of Sony products

Transfer Agent(s):

The Canada Trust Company
230 Portage Avenue
Winnipeg, Manitoba, Canada

Stock Exchange(s): Toronto

Ticker Symbol: GDS

Number of Stores: (at fiscal year end)

1985	374	1982	299
1984	312	1981	265
1983	312		

Sales and Earnings

	Net Sales	Net Income ‡
1985	$ 474,005,000	$ 20,172,000
1984	434,906,000	19,086,000
1983	380,674,000	10,839,000
1982	349,758,000	11,506,000
1981	293,476,764	9,827,564

	No. of Com Shares #	Earn per Share ‡ +
1985	8,232,852	$ 2.15
1984	9,374,700	2.09
1983	8,352,891	1.30
1982	8,229,456	1.40
1981	8,149,540	1.20

‡ Including extraordinary gain of $1,381,000 ($0.17 per share) in 1983 and extraordinary loss of $1,786,000 ($0.19 per share) in 1985

# Based on Class A and Class B common shares

+ Based on the weighted monthly average number of Class A and Class B common shares adjusted to reflect stock split

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.54	—	—
1984	0.45	—	4-for-3
1983	0.38	—	—
1982	0.36	—	—
1981	0.27	—	—

+ Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share +
1985	$ 106,520,000	$ 12.94
1984	91,476,000	9.76
1983	70,498,000	8.39
1982	62,162,000	7.51
1981	53,179,587	6.48

+ Adjusted to reflect stock split

Income Account

Year ended Jan 31	1985	1984
Net sales	$ 474,005,000	$ 434,906,000
Cost of sales	425,364,000	389,663,000
Depreciation, amort & depletion	7,128,000	6,449,000
Interest expense	79,000	1,885,000
Other interest	4,583,000	2,313,000
Income before taxes	$ 36,851,000	$ 34,596,000
Income taxes	14,893,000	15,316,000
Minority interest	—	194,000
Net Income	$ 21,958,000	$ 19,086,000
Extraordinary loss	(1,786,000)	—
Net Income & extraordinary loss	$ 20,172,000	$ 19,086,000

Assets

As of Jan 31	1985	1984
Cash & short-term deposits	$ 2,887,000	$ 1,230,000
Receiv , net	19,094,000	18,220,000
*Inventories	119,099,000	110,889,000
Prepaid expenses	2,449,000	2,301,000
Inc taxes recoverable	3,433,000	—
Current Assets	$ 146,962,000	$ 132,640,000
Investments	292,000	2,375,000
#Fixed assets	66,857,000	60,596,000
Other assets	915,000	2,055,000
Total Assets	$ 215,026,000	$ 197,666,000

Liabilities

Bank advances	$ 5,240,000	$ 11,448,000
Long-term debt, curr	234,000	831,000
Accts payable & accruals	78,444,000	70,830,000
Income & other taxes	—	6,568,000
Shareholders' advances	10,650,000	—
Due to Sony of Canada	7,280,000	11,661,000
Curr Liabilities	$ 101,848,000	$ 101,338,000
Long-term debt	609,000	799,000
Deferred inc taxes	6,049,000	4,053,000
+ Common stock	13,012,000	13,050,000
Retained earnings	93,508,000	78,426,000
Total Liabilities & Shareholders' Equity	$ 215,026,000	$ 197,666,000

* At lower of cost and net realizable value

# Less accumulated depreciation and amortization

+ No par value

Statistical Summary

% Income bef Taxes to Sales	7.77	7.95
% Net Income to Sales	4.26	4.39
% Net Income to Equity	18.94	20.86
Sales to Inventories	3.98	3.92
Working Capital	$ 45,114,000	$31,302,000
Current Ratio	1.44	1.31
Shareholders' Equity	$106,520,000	$91,476,000

General Host Corporation

22 Gate House Road
P O Box 10045
Stamford, Connecticut 06904
(203) 357-9900

Officers: Harris J Ashton, chairman of the board, president & chief executive officer, Edward H Hoornstra, vice chairman of the board & president-Specialty Retailing Group, James C Hull, v p & controller, Richard Gould, v p -human resources, George K Gill, treasurer, William F Downey, secretary, Robert G Kubbach, gen counsel

Directors: Charles B Johnson*, C Whitcomb Alden, Jr , Harris J Ashton*, William F Downey*, Weston E Hamilton, Philip B Harley, Richard W Haskel, Edward H Hoornstra, Christopher A Forster

* Member of the Executive Committee

Business Activities: Engaged in the operation of 100 Frank's Nursery & Craft retail stores located primarily in the Midwestern United States, also operates 251 Hickory Farms of Ohio specialty food retail stores and franchises an additional 309 stores located in shopping malls throughout the United States, 436 Little General convenience stores located in the Southeastern United States, 149 Hot Sam pretzel shops selling fresh baked pretzels in shopping malls in 26 states and 56 Corn Dog on a Stick stores selling "corn dogs" in shopping malls in 15 states

Divisions and Subsidiaries:

American Salt Company
3142 Broadway
Kansas City, Missouri 64111
(816) 753-7100

Hot Sam Companies
P O Box 25076
Tampa, Florida 33622
(813) 872-6833

Milk Specialties Company
P O Box 278 - Water at Illinois Sts
Dundee, Illinois 60118
(312) 426-3411

Frank's Nursery & Crafts, Inc
6399 E Nevada
Detroit, Michigan 48234

Hickory Farms of Ohio
300 Holland Road
Maumee, Ohio 43527
(419) 893-7611

The All American Gourmet Company
4590 Campbell's Run Road
Pittsburgh, Pennsylvania 15205

Acquisition(s):

Flower Time, Inc
1178 Route 109
Lindenhurst, New York 11757
(516) 957-3300

Transfer Agent(s):

Manufacturers Hanover Trust Company
450 West 33rd Street
New York, N Y 10001

Stock Exchange(s): New York, Pacific

Ticker Symbol: GH

Number of Stores: (at fiscal year end)

1984	N.A.	1981	1,147
1983	1,301	1980	1,173
1982	1,169		

N.A.-Not Available

Sales and Earnings

	Net Sales † (000's)	Net Income ‡ (000's)
1984	$ 563,486	$ 92,122
1983	472,234	17,949
1982	286,755	9,681

1981	256,056	13,968
1980	204,286	415

	No. of Com. Shares +	Earn. per Share # ‡
1984	18,895,000	$ 4.87
1983	19,009,000	0.93
1982	19,541,000	0.63
1981	11,074,000	1.26
1980	11,037,000	0.03

† Of continuing operations only.
‡ Including extraordinary gains of $2,300,000 ($0.21 per share) in 1981, $7,141,000 ($0.53 per share) in 1980 and extraordinary loss of $1,400,000 ($0.09 per share) in 1982.
+ Adjusted to reflect stock splits.
# Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1984	1983
Nursery & Craft stores	$ 203,650	$ 138,347
Specialty food stores	145,534	141,630
Frozen food prods.	128,846	114,079
Salt & agricultural prods.	85,456	78,178
Total	$ 563,486	$ 472,234

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1984	$0.267	—	3-for-2
1983	0.235	—	5-for-4
1982	0.213	—	5-for-4
1981	0.192	—	2-for-1
1980	0.165	—	—

Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share#
1984	$ 228,051,000	$ 12.15
1983	147,014,000	7.83
1982	134,503,000	7.17
1981	77,520,000	7.18
1980	64,026,000	5.99

Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended	1/27/85	12/31/83
Net sales	$ 563,486	$ 472,234
Gain from sale of div.	75,000	—
Other income	7,300	4,282
Total Income	$ 645,786	$ 476,516
Cost of sales	424,293	342,872
Expenses	98,684	80,827
Depreciation & amortization	15,629	12,433
Interest expense	24,551	18,064
Income before taxes	$ 82,629	$ 22,320
Income taxes	30,182	9,851
Inc.-cont. oper.	$ 52,447	$ 12,469
Inc.-discont. oper.	39,675	5,480
Net Income	$ 92,122	$ 17,949

* Included in Costs and Expenses. Depreciation and Amortization: $15,629,000 in 1984 anfd $12,433,000 in 1983.

Assets
(000's)

As of	1/27/85	12/31/83
Cash	$ 33,996	$ 22,565
Marketable securities	171,436	64,896
Accts. & notes receiv., net	38,396	34,597
*Inventories	64,231	74,246
Prepaid expenses	3,074	2,221
Current Assets	$ 311,133	$ 198,525
#Fixed Assets	174,576	186,489
Intangibles and other assets	60,120	72,573
Total Assets	$ 545,829	$ 457,587

Liabilities
(000's)

Long-term debt, curr.	$ 5,949	$ 4,574
Accts. payable	77,852	44,696
Accruals	54,748	41,402
Curr. Liabilities	$ 138,549	$ 90,672
Long-term debt	154,784	202,785
Reserves & defer. credits	24,445	17,116
+ Common stock	21,163	14,077
Add. paid-in capital	98,918	105,615
Retained earnings	122,333	40,244
Treasury stock	(12,825)	(11,183)
Notes receiv. - stock option	(1,538)	(1,739)
Total Liabilities & Shareholders' Equity	$ 545,829	$ 457,587

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Net Income to Equity	40.40	12.21
Sales to Inventories	8.77	8.81
Working Capital	$172,584,000	$107,853,000
Current Ratio	2.25	2.19
Shareholders' Equity	$228,051,000	$147,014,000

General Mills, Inc.

9200 Wayzata Boulevard
P.O. Box 1113
Minneapolis, Minnesota 55440
(612) 540-2311

Officers: H. Brewster Atwater, Jr., chairman of the board & chief exec. officer; F. Caleb Blodgett, vice chairman-Consumer Foods; Donald F. Swanson, vice chairman-Consumer Non-Foods Operations; Paul L. Parker, exec. v.p. & chief administrative officer; Mark H. Willes, exec. v.p. & chief financial officer; Walter R. Barry, Jr., Michael J. Boyle, James G. Fifield, Joe R. Lee, Arthur R. Schulze, Richard F. Kral, Stephen M. Rothschild, exec. v.p.'s; John L. Frost, sr. v.p.-personnel relations; John V. Luck, sr. v.p. & technical director; Thomas P. Nelson, sr. v.p. & controller; Clifford L. Whitehill, v.p., secretary & general counsel; James L. Weaver, v.p. & treasurer.

Directors: H. Brewster Atwater, Jr.*, Betsy Ancker-Johnson, F. Caleb Blodgett*, N. Bud Grossman, Stephen F. Keating*, E. Robert Kinney*, Lewis W. Lehr, Louis W. Menk, John W. Morrison*, Gwendolyn A. Newkirk, William F. Pounds, Edward S. Reid*, Donald F. Swanson*, George Putnam, Frederick W. Smith, Richard M. Bressler.

* Member of the Executive Committee.

Business Activities: Engaged in the production and marketing of food products (breakfast and snack items, mixes, flour, seafood, etc.), commercial foods and ingredients, restaurant activities, crafts, games and toys, direct marketing and retailing operations for hobbycraft, art needlework, home sewing items, wallpaper, and sportswear. Also manufactures and markets costume jewelry products, women's and children's wear, men's sportswear and accessories, "Eddie Bauer" outdoor recreational clothing and equipment, "Foot-Joy" golf shoes, Lark luggage and Kittinger, Pennsylvania House, & Dunbar furniture.

Fashion and/or Specialty Retailing Operations:

Eddie Bauer, Inc.
15010 N.E. 36th Street
Redmond, Washington 98052
(206) 882-6100
Outdoor recreational and sporting clothing and equipment.

Bowers and Ruddy Galleries, Inc.
6922 Hollywood Boulevard
Suite 600
Los Angeles, California 90028
(213) 466-4595
Buying and selling of rare coins.

David Crystal Division
498 7th Avenue
New York, New York 10018
(212) 279-6560
Sportswear for the whole family.

Crystal Sunflowers, Inc. (children's wear)
Ernie Sabayrac, Inc. (pro shop sportswear distributor)
Fashion Flair, Inc. (retail operations)
Haymaker Sports, Inc. (women's sportswear)
Izod, Ltd. (men's sportswear)

General Mills Apparel Corporation
Suite 3425 - 34th Floor
Rockefeller Center
New York, New York 10020
(212) 246-4800
Apparel group headquarters.

Empire Textile Corp.
P.O. Box 707
Corozal, Puerto Rico 00643
(809) 859-2625
Manufacturer of men's knit shirts.

Foot-Joy, Inc.
144 Field Street
Brockton, Massachusetts 02403
(617) 586-2233
Golf, raquetball and tennis shoes.

H.E. Harris & Co., Inc.
645 Summer Street
Boston, Massachusetts 02117
(617) 269-5200
Retail and wholesale postage stamp business.

LeeWards Creative Crafts, Inc.
1200 St. Charles Road
Elgin, Illinois 60120
(312) 888-5800
Hobbycraft and art needlework, mail order and retail.

Lord Jeff Knitting Co., Inc.
10 Maple Street
Norwood, New Jersey 07648
(201) 767-8800
Knitted outerwear for men.

General Mills Products Corp.
P.O. Box 376
Murray Hill Station
New York, New York 10016
(212) 725-4700
Fashion jewelry.

Ship'n Shore, Inc.
Bridgewater-at-Aston
Aston, Pennsylvania 19014
(215) 494-2000
Apparel for women.

The Talbots, Inc.
175 Beal Street
Hingham, Massachusetts 02043
(617) 749-7600
Retail and mail catalog sales of men's and women's clothing.

Wallpapers To Go
3151 Corporate Place
Hayward, California 94545
(415) 785-7150
Flexible wall covering specialty retail stores.

Acquisition(s):

All Coast Trading Co., Inc.
Costa Mesa, California

Operates 22 Wild West stores specializing in western-style, casual wear for men, women, and children

Good Earth Restaurants
Operates 16 restaurants in 4 states which specialize in natural foods

Darryl's Restaurants
Operates 10 restaurants in the Southeast

Louise's Home Style Ravioli Co. Inc

Aroma Taste, Inc

Wild West
3175 Airway
Costa Mesa, Calif 92626
(714) 556-0770
Casual clothing for the entire family

Transfer Agent(s):

First National Bank of Minneapolis
c/o Bradford Trust Company
67 Broad Street
New York, New York 10004

Office of the Company
P.O. Box 1113
Minneapolis, Minnesota 55440

Stock Exchange(s): New York, Midwest

Ticker Symbol: GIS

Number of Stores: (at fiscal year end)

	Wallpaper	Apparel	Crafts
1984	87	91	46
1983	106	92	46
1982	108	77	39
1981	66	28	31
1980	47	12	31

Sales and Earnings

	Net Sales ‡ (000's)	Net Income (000's)
1984	$ 5,600,800	$ 233,400
1983	5,550,800	245,100
1982	5,312,100	225,500
1981*	4,852,400	196,600
1980	4,170,300	170,000

	No. of Com. Shares	Earn. per Share #
1984	46,900,000	$ 4.98
1983	50,100,000	4.89
1982	50,560,000	4.46
1981*	50,349,000	3.90
1980	50,230,000	3.37

‡ Of continuing operations only
* 53 weeks
# Based on the average number of common shares and common share equivalents outstanding

Revenues By Line of Business #

	1984 (000's)	1983 (000's)
Consumer foods	$ 2,713,400	$ 2,792,600
Restaurants	1,079,700	984,500
Creative prods.	782,700	728,300
Fashion	587,400	616,300
Spec. ret. & other	437,600	429,100
Total Sales	$ 5,600,800	$ 5,550,800

Of continuing operations only

Genesco Inc.

Genesco Park
Nashville, Tennessee 37202
(615) 367-7000

Officers: Richard W. Hanselman, chairman, president & chief executive officer; Larry B. Shelton, exec. v.p., president & chief exec. officer-The Grief Companies; Thomas B. Clark, v.p. & general counsel; Jack V. Gunion, v.p. & president-U.S. Retail Group; Don R. Martin, v.p.-human resources; William S. Wire, II, sr. v.p.-finance; William C. O'Connor, secretary; James S. Gulmi, v.p. & treasurer; Richard L. Daniels, v.p. & gen. mgr.-Footwear Operations & wholesale division; William Dragon, v.p. & gen. mgr.-Johnston & Murphy.

Directors: Richard W. Hanselman*, chairman; Nelson C. Andrews, Sidney Davidson, John Diebold, Harry D. Garber, Pierre A. Rinfret, Kenneth L. Roberts*, Edward E. Watson, David K. Wilson*, Toby S. Wilt, Richard A. Voell*

* Member of the Executive Committee

Business Activities: Genesco's business falls into three major areas: retailing, footwear and men's apparel manufacturing. Operates 1,098 stores and leased departments.

Divisions and Subsidiaries:

Manufacturing and Wholesale

BBC Hosiery
P.O. Box 370
213 Grand Street
Lenoir City, Tennessee 37771
(615) 986-3531
Women's, infant's, children's & men's hosiery

Mitre Sports
Genesco Park, Room 328
Nashville, Tennessee 37202
(615) 367-7475
Athletic shoes

Camp Hosiery
350 5th Avenue, 73rd Floor
New York, New York 10118
(212) 760-8899
Hosiery for men and women

Capitol Products Company
Genesco Park
Nashville, Tennessee 37202
(615) 367-7789
Cartons and containers

Southern Sole
940 Trinity Lane
Nashville, Tennessee 37202
(615) 367-8473
Cut soles, insoles, findings and unit shoes.

Laredo/Cedar Crest Boots
Genesco Park
Nashville, Tennessee 37202
(615) 367-7138
Laredo western boots for men, women, and children
Cedar Crest work, safety and sport shoes.

Charm Step Shoe Company
Genesco Park
Nashville, Tennessee 37202
(615) 367-7113
Women's popular priced shoes.

Dominion Shoe Company
Genesco Park
Nashville, Tennessee 37202
(615) 367-8135
Shoes for private label volume trade.

Footwear-Distribution Centers
Genesco Park
Nashville, Tennessee 37202

Footwear-Material Management
Genesco Park
Nashville, Tennessee 37202
(615) 367-7811

General Adhesives
6100 Centennial Boulevard
Nashville, Tennessee 37202
(615) 367-7833
Adhesives, finishes, caulks, and chemical products.

Valmart Distributing
Genesco Park
Nashville, Tennessee 37202
(615) 367-8220
Wholesale factory-damaged shoes.

Volunteer Leather
Genesco Park
Nashville, Tennessee 37202
(615) 367-8261
Side leather tanning, finishing and distribution.

Johnston & Murphy Shoe Company
Genesco Park
Nashville, Tennessee 37202
(615) 367-8101
J & M Frank Bros. shoes for men, Johnston & Murphy men's shoes.

Greif Companies
939 Marcon Boulevard
P.O. Box 9000
Allentown, Pennsylvania 18001
(215) 266-2200
Men's and women's clothes.

Valmore Leather Company
Genesco Park
Nashville, Tennessee 37202
(615) 767-8261
Cut soles, insoles, finding, unit soles and foot care products.

Wood & Hyde Leather Company
Gloversville, New York 12078
(518) 725-7105
Shoe and garment leather

Wrangler
Genesco Park
Nashville, Tennessee 37202
(615) 367-7343
Wrangler casual shoes for men and women and selected styles of Mitre athletic shoes

Genesco Retail:

Foot Scene
Genesco Park
Nashville, Tennessee 37202
(615) 367-7513
Popular priced family shoe stores

Genesco Factory To You Shoes
Genesco Park
Nashville, Tennessee 37202
(615) 367-7363
Family footwear and accessories at factory prices

Hardy Shoe Stores
Genesco Park
Nashville, Tennessee 37202
(615) 367-7444
Popular priced men's shoe stores

Jarman/Flagg
Genesco Park
Nashville, Tennessee 37202
(615) 367-7222
Men's shoe stores and leased departments featuring Jarman shoes.

Genesco International:

Genesco Canada, Inc. Retail Division
298 Park Road North
Brantford, Ontario, Canada N3T 5T9
(519) 752-7854
Agnew coast-to-coast chain of family shoe boutiques in major cities and leased departments

Genesco Canada, Inc
401 Fountain Street North
Cambridge, Ontario, Canada
(519) 653-5783
Includes: General Shoe of Canada, Agnew, Dexter and leased departments.

Transfer Agent(s):

Morgan Guaranty Trust Company
(common & preferred stock)
New York, New York 10004

Stock Exchange(s): New York

Ticker Symbol: GCO

Number of Stores: (at fiscal year end)

1984	1,098	1981	1,134
1983	1,157	1980	1,120
1982	1,194		

Genesco Inc.

Sales and Earnings

	Net Sales † (000's)	Net Income ‡ (000's)
1984	$ 606,254	$ 18,745
1983	639,761	(1,971)
1982	664,805	1,099
1981	662,490	18,063
1980	637,695	4,698

	No. of Com. Shares	Earn. per Share #‡
1984	15,044,934	$ 1.08
1983	14,419,621	—
1982	14,328,535	—
1981	12,656,260	1.16
1980	12,621,260	0.12

(Loss)

† Of continuing operations only

‡ Including extraordinary gains of $3,395,000 ($0.22 per share) in 1984, $1,001,000 ($0.07 per share) in 1983 and $6,495,000 ($0.51 per share) in 1981

Based on the weighted average number of common shares and common share equivalents outstanding

Revenues By Line of Business
(000's)

	1984	1983
Footwear		
Shoes & hosiery	$ 411,990	$ 405,850
Raw materials	51,343	42,310
Total Footwear	$ 463,333	$ 448,160
Men's apparel		
Tailored	109,289	119,849
Hosiery	31,847	31,709
Total Apparel	$ 141,136	$ 151,558
Divested operations	1,795	40,043
Total	$ 606,264	$ 639,761

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 64,865,000	$ 3.17
1983	41,883,000	1.86
1982	41,733,000	2.01
1981	33,847,000	1.14
1980	16,113,000	—

Income Account *
(000's)

Year ended July 31	1984	1983
Net sales	$ 606,264	$ 639,761
Cost of sales	382,422	426,499
Expenses	192,125	195,760
Interest expense	12,517	14,591
Other expense (income)	522	(128)
Loss on divest. oper.	—	3,351
Inc. (loss) bef. taxes	$ 18,678	$ (312)
Income taxes	7,634	2,660
Inc. (loss)- cont. oper.	$ 11,044	$ (2,972)
Inc. - discont. oper.	4,306	—
Net Income (Loss)	$ 15,350	$ (2,972)
Extraord. credit	3,395	1,001
Net Income (Loss) & extraord. credits	$ 18,745	$ (1,971)

* Included in Costs and Expenses, Depreciation and Amortization: $10,074,000 in 1984 and $11,519,000 in 1983

Assets
(000's)

As of July 31	1984	1983
Cash	$ 7,796	$ 13,685
Marketable securities	24,192	12,000
Receiv., net	74,834	82,635
*Inventories	137,592	127,904
Prepaid expenses	2,888	2,742
Curr. Assets	$ 247,302	$ 238,966
Other assets	5,302	3,134
#Fixed assets	76,837	85,078
Total Assets	$ – 329,441	$ 327,178

Liabilities
(000's)

Notes payable	$ —	$ 5,000
Long-term debt, curr	8,434	11,163
Capitalized lease oblig., curr	3,158	3,370
Accts. payable & accruals	53,826	52,678
Prov. for oper. divested	2,432	4,167
Curr. Liabilities	$ 67,850	$ 76,378
Long-term debt	105,433	109,916
Capitalized lease oblig.	24,918	28,416
Prov. for oper. divested	11,411	15,729
Deferred taxes	4,133	4,357
Redeem. pref. stock	21,698	21,469
Non-redeem. pref. stock	29,133	29,030
+ Common stock	15,533	14,908
Add. paid-in capital	80,440	74,172
Accumulated deficit	(9,254)	(27,944)
Treasury stock	(17,857)	(17,857)
Emp. stock purch. accts.	(520)	(520)
For. curr. trans. adjust.	(3,477)	(876)
Total Liabilities & Shareholders' Equity	$ 329,441	$ 327,178

* At lower of cost (FIFO) or market

Less accumulated depreciation

+ $1 par value

Statistical Summary

%Net Income to Equity	16.33	—
Sales to Inventories	4.41	5.00
Working Capital	$179,452,000	$162,588,000
Current Ratio	3.64	3.13
Shareholders' Equity	$ 93,998,000	$ 70,913,000

Genovese Drug Stores, Inc.

80 Marcus Drive
Melville, New York 11747
(516) 420-1900

Officers: Leonard Genovese, chairman of the board & president; Herbert J. Kett, Paul Stanton, sr. v.p.'s; Jerome Stengel, v.p. & treasurer; Donald W. Gross, v.p. & secretary; Ralph J. Rescildo, Dominick Lettieri, Alan Patrick, Raymond Rescildo, Robert McCarthy, v.p.'s; Emil DiLollo, James Flinter, Owen Rees, asst. v.p.'s; Ronald LeTellier, controller

Directors: Frances A. Wangberg, Leonard Genovese, William J. McKenna, Herbert J. Kett, Benjamin F. Leventhal, Charles Hayward, Edward J. Brady

Business Activities: Operates a chain of Genovese Drug Stores located in New York, New Jersey, Massachusetts and Connecticut

Divisions:

Genco Distributors Division
80 Marcus Drive
Melville, New York 11747
A stationery and sundries distributor

Living Color Division
199 Glen Street
Glen Cove, New York 11542
Photo finishing plants

Genrex Pharmacy Services
80 Marcus Drive
Melville, New York 11747

Transfer Agent(s):

American Stock Transfer Company
99 Wall Street
New York, New York 10005

Stock Exchange(s): American

Ticker Symbol: GDX

Number of Stores: (at fiscal year end)

1984	72	1981	58
1983	66	1980	52
1982	61		

Sales and Earnings

	Net Sales	Net Income
1985	$ 220,295,000	$ 4,137,000
1984	193,772,000	3,856,000
1983	158,651,000	2,643,000
1982	134,155,000	1,780,000
1981	122,012,000	516,000

	No. of Com. Shares ‡	Earn. per Share ‡
1985	4,031,921	$ 1.03
1984	4,020,306	0.96
1983	3,969,686	0.67
1982	3,948,436	0.45
1981	3,919,104	0.13

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend and stock split

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1985	$0.20	—	—
1984	0.16	20%	2-for-1
1983	0.10		—
1982	0.08		
1981	0.04		

‡ Adjusted to reflect stock dividend and stock split

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 23,135,000	$ 5.74
1984	19,816,000	4.93
1983	16,418,000	4.14
1982	14,148,000	3.58
1981	12,715,000	3.24

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend and stock split

Income Account *

Year ended	2/1/85	2/3/84
Net sales	$ 220,295,000	$ 193,772,000
Cost of sales	154,828,000	135,920,000
Expenses	56,115,000	49,751,000
Interest expense	1,465,000	937,000
Income before taxes	$ 7,887,000	$ 7,164,000
Income taxes	3,750,000	3,308,000
Net Income	$ 4,137,000	$ 3,856,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,660,000 in 1985 and $1,232,000 in 1984

Assets

As of	2/1/85	2/3/84
Cash	$ 1,225,000	$ 6,038,000
Receiv., net	4,104,000	3,248,000
*Inventories	34,401,000	31,845,000
Prepaid expenses	863,000	767,000
Current Assets	$ 40,593,000	$ 41,898,000
#Fixed assets	15,624,000	11,671,000
Other assets & deferred charges	842,000	845,000
Total Assets	$ 57,059,000	$ 54,414,000

Liabilities

Notes payable	$ 1,000,000	$ —
Long-term debt, curr	591,000	444,000
Accts. payable	16,635,000	16,743,000
Accruals	3,175,000	3,018,000
Income taxes	881,000	682,000
Other taxes	1,274,000	1,045,000
Curr. Liabilities	$ 23,556,000	$ 21,932,000
Long-term debt	8,300,000	11,418,000
Deferred income taxes	2,068,000	1,248,000
+ Common stock	4,049,000	4,034,000
Add. paid-in capital	7,213,000	7,124,000
Retained earnings	12,071,000	8,741,000
Treasury stock	(198,000)	(83,000)
Total Liabilities & Shareholders' Equity	$ 57,059,000	$ 54,414,000

* At lower of cost (LIFO) or market
# Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	3.58	3.70
%Net Income to Sales	1.88	1.99
%Net Income to Equity	17.88	19.46
Sales to Inventories	6.40	6.08
Working Capital	$17,037,000	$19,966,000
Current Ratio	1.72	1.91
Shareholders' Equity	$23,135,000	$19,816,000

George Weston Limited

22 St. Clair Avenue East
Suite 1901
Toronto, Ontario, Canada M4T 2S7
(416) 922-2500

Officers: W. Galen Weston, chairman of the board & president; Richard J. Currie, sr. v.p.; Mark Hoffman, managing director Guinness Peat Group; Robert H. Kidd, sr. v.p. & chief financial officer; David A. Nichol, sr. v.p.; Earl R. Pearce, sr. v.p.-resource group; William A. Sloan, v.p.-finance; Ralph S. Barnes, v.p. & treasurer; Ivan R. Franklin, v.p.; Stewart E. Green, v.p. & gen. counsel; Terrence H. Wardrop, v.p. & controller; G. Ross Lawford, gen. mgr. Weston Research Center; Douglas E. Perrin, v.p. finance, Food Processing Group

Directors: W. Galen Weston, chairman; John C. Scarth; John D. Stevenson; Richard J. Currie; David A. Nichol; Mark Hoffman; S. Simon Reisman; Hugo Mann; Pauline McGibbon; Garry H. Weston; Robert H. Kidd

Business Activities: Diversified operations in food processing, fisheries, forest products, and wholesale-retail food distribution

Divisions and Subsidiaries:

Wholesale and Retail

Canadian operations include wholesale and retail marketing of food and other products throughout Canada, catering and restaurant servicing in Western Canada, food manufacturing for distribution in Canada and the United States. Also engaged in wholesale and retail distribution of food and other products in central United States and California. The Company owns warehouses in strategic centers with 292 supermarkets across Canada and 214 in the northeastern and south central United States. Also operates food manufacturing plants in Burnaby, British Columbia. United States facilities include supermarkets located primarily in the central United States with warehouses in major centers.

Canadian Operations

Loblaw Companies Limited (78% owned)
Atlantic Wholesalers Division
National Grocers Company, Limited
Zehrmart Limited
Kelly, Douglas & Company, Limited (73% owned)
National Tea
Loblaw, Ontario

United States Operations

National Tea Co. (73% owned)
Peter J. Schmitt Co., Inc.

Food Processing

Bakery Group

Produces and distributes a wide variety of baked goods throughout Canada.

Weston Bakeries Limited
Strochmann Bakeries
Soo Line Mills Limited
McCarthy Milling Company Limited

Biscuit Group

Manufactures and markets sweet biscuits, crackers, ice cream cones, confections and candies throughout Canada and the United States.

InterBake Foods Limited
Weston Foods Limited
Interbake Foods, Inc. (U.S.)

Chocolate & Dairy Group

Manufacturer of chocolate and chocolate products; produces ice cream and dairy products.

William Neilson Limited

Food Specialties Group

Manufactures a variety of toppings and other products for the baking confection, dairy and fountain industries. Packages and distributes a line of dried and glazed fruits, nuts, cereals and health foods. Produces liquid bulk and granulated and packaged white sugars.

Bowes Co. Ltd.

Fisheries

Major suppliers of Pacific coast salmon and a wide variety of fresh, frozen, canned and prepared seafoods as well as fish meal and oil.

British Columbia Packers Limited (83% owned)
Connors Bros. Limited

Forest Products

Forest Products Group

Manufactures and distributes fine, specialty and kraft papers for printing, converting, packaging and wrapping; paperboard, kraft pulps, lumber, tissue, other household and industrial paper products.

Eddy Paper Company Limited
E. B. Eddy Forest Products Ltd.
Eastern Fine Paper Inc. (U.S.)

Transfer Agent(s):

National Victoria & Grey Trust Company
Toronto, Montreal & Vancouver, Canada

Stock Exchange(s): Toronto, Montreal, Vancouver

Ticker Symbol: WN

Number of Stores: (at fiscal year end)

1984	510	1982	506
1983	539		

Sales and Earnings

	Net Sales (000's)	Net Income ‡ (000's)
1984	$ 8,254,700	$ 93,500
1983	7,799,600	79,200
1982	7,830,462	68,727
1981	7,428,609	95,305
1980	6,776,728	83,562

	No. of Com. Shares	Earn. per Share ‡
1984	11,453,167	$ 7.16
1983	11,438,851	5.93
1982	11,327,936	4.67
1981	11,246,278	7.06
1980	11,202,221	6.28

‡ Including extraordinary gains of $4,700,000 ($0.40 per share) in 1984, $600,000 ($0.05 per share) in 1983, $16,133,000 ($1.44 per share) in 1981, $13,089,000 ($1.17 per share) in 1980 and extraordinary loss of $1,712,000 ($0.15 per share) in 1982.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.60	—	—
1983	1.56	—	—
1982	1.56	—	—
1981	1.44	—	—
1980	1.36	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 587,462,000	$ 51.34
1983	518,275,000	45.36
1982	457,690,000	40.46
1981	421,479,000	37.54
1980	357,127,000	31.94

‡ After allowing for preferred stock at redemption values.

Income Account
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 8,254,700	$ 7,799,600
Other income	8,000	8,600
Total Income	$ 8,262,700	$ 7,808,200
Cost of sales	7,840,600	7,433,600
Rentals	50,400	52,500
Depreciation	131,200	109,300
Interest expense	66,800	48,700
Income bef. taxes	$ 173,700	$ 164,100
Income taxes	66,400	69,500
Minority interest	18,500	16,000
Net Income	$ 88,800	$ 78,600
Extraord. items	4,700	600
Net Income & extraord. items	$ 93,500	$ 79,200

Assets
(000's)

As of Dec. 31	1984	1983
Cash & investments	$ 23,500	$ 58,400
Accts. receiv., net	311,600	297,400
Prod. for sale	8,200	5,500
*Inventories	687,700	609,800
Prepaid expenses	23,800	23,000
Current Assets	$ 1,054,800	$ 994,100
Investments	81,600	90,000
#Fixed assets	1,134,000	1,074,500
Other assets	8,600	9,000
Total Assets	$ 2,279,000	$ 2,167,600

Liabilities
(000's)

Bank advances & notes payable	$ 52,700	$ 83,800
Long-term debt, curr	14,400	19,000
Cap. lease oblig., curr	9,000	7,900
Accts. payable & accurals	622,300	572,800
Dividends payable	4,900	4,500
Income taxes	25,600	48,500
Curr. Liabilities	$ 728,900	$ 736,500
Long-term debt	425,300	382,900
Cap. lease oblig.	74,700	80,400
Other liabilities	38,200	29,900
Minority interest	157,000	151,600
Deferred inc. taxes	100,400	100,000
+ Preferred stock	166,500	167,400
+ + Common stock	28,400	28,100

Retained earnings	545,400	481,600
For. curr. trans.	14,200	9,200
Total Liabilities & Shareholders' Equity	$ 2,279,000	$ 2,167,600

* At lower of cost and net realizable value
# Less accumulated depreciation
+ $100 par value
+ + No par value

Statistical Summary

%Income bef. Taxes to Sales	2.10	2.10
%Net Income to Sales	1.08	1.01
%Net Income to Equity	11.77	11.45
Sales to Inventories	12.01	12.79
Working Capital	$325,900,000	$257,600,000
Current Ratio	1.45	1.35
Shareholders' Equity	$754,500,000	$656,300,000

Giant Food Inc.

6300 Sheriff Road
Landover, Maryland 20785
(301) 341-4100

Mailing Address
Box 1804
Washington, D.C. 20013

Officers: Israel Cohen, chairman of the board, president & chief exec. officer; David B. Sykes, sr. v.p. finance & secretary & treasurer; Gerson Barnett, sr. v.p. grocery operations; Alvin Dobbin, sr. v.p. operations; David Friedman, v.p. corporate facilities; David W. Rutstein, sr. v.p. & counsel; Donald R. Buchanan, sr. v.p. data processing; Jeremiah F. Donovan, v.p. personnel; Albert J. Lechert, Jr., v.p. construction operations; Joseph F. Jacobs, v.p. Pants Corral; Clifford R. Logan, v.p. corp. planning; Peter L. Manos, sr. v.p. perishable operations; Roger D. Olson, v.p. labor relations; Alan Swoff, v.p. frozen food operations; David Larson, v.p. manufacturing; George W. Hannis, Jr., v.p. dairy, delicatessen; M. Davis Herriman, v.p. grocery oper.; Emanuel Richman, v.p. pharmacy oper.; Robert W. Schoening, v.p. data processing syst.; Terry A. Gans, v.p. advertising & sales promotion; Odonna Mathews, v.p. consumer affairs; Samuel E. Thurston, v.p. distribution; Albert Reinach, controller; Arthur Koch, asst. secretary

Directors: David B. Sykes, Mrs. Jac Lehrman, Israel Cohen, Millard F. West, Jr., Morton H. Wilner, Richard Wasenberg, O. Roy Chalk

Business Activities: Operates a chain of Giant Food supermarkets in Washington, D.C., Maryland and Virginia. Also operates food-pharmacy units, Pants Corrals specialty shops featuring slacks, jeans and accessories.

Transfer Agent(s):

The National Bank of Washington
Washington, D.C.

Schroder Trust Company
New York, New York

Stock Exchange(s): American, Philadelphia

Ticker Symbol: GFS A

Number of Stores: (at fiscal year end)

	Food Stores	Other Stores
1984	131	33
1983	130	41
1982	130	40
1981	126	37

Sales and Earnings

	Net Sales † (000's)	Net Income (000's)
1985	$ 2,138,789	$ 45,221
1984	1,957,435	40,511
1983	1,852,134	37,213
1982	1,683,881	16,769
1981	1,483,476	18,308

	No. of Com. Shares †	Earn. per Share #
1985	14,890,000	$ 3.05
1984	14,637,000	2.77
1983	14,624,000	2.53
1982	14,753,000	1.14
1981	14,661,000	1.25

† Of continuing operations
† Adjusted to reflect stock split
# Based on the weighted average number of common shares outstanding adjusted to reflect stock split

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1985	$0.80	—	
1984	0.60		
1983	0.48		3 for 1
1982	0.40		
1981	0.37		

† Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share †
1985	$ 228,728,000	$ 15.36
1984	193,383,000	13.21
1983	161,557,000	11.05
1982	132,810,000	9.00
1981	121,314,000	8.27

† Adjusted to reflect stock split

Income Account *
(000's)

Year ended	2/23/85	2/25/84
Net sales	$ 2,138,789	$ 1,957,435
Cost of sales	1,540,585	1,419,593
Expenses	513,687	460,497
Interest expense	2,089	4,099
Income before taxes	$ 82,428	$ 73,246
Income taxes	37,207	32,735
Net Income	$ 45,221	$ 40,511

* Included in Costs and Expenses: Depreciation and Amortization: $27,166,000 in 1985 and $24,097,000 in 1984.

Assets
(000's)

As of	2/23/85	2/25/84
Cash & short-term invest.	$ 95,904	$ 84,237
Receivables, net	11,208	8,070
*Inventories	122,254	109,998
Prepaid expenses	4,112	3,367
Current Assets	$ 233,478	$ 205,672
Real estate for future develop.	9,581	7,309
#Fixed assets	210,609	178,311
Prop. under cap. leases	76,910	81,017
Other assets	9,137	6,479
Total Assets	$ 539,715	$ 478,788

Liabilities
(000's)

Long-term debt, curr.	$ 4,554	$ 3,915
Cap. lease oblig. curr.	2,233	2,563
Accts. payable	108,182	99,145
Accruals	43,116	39,139
Dividends payable	2,977	2,191
Income taxes	4,001	1,750
Curr. Liabilities	$ 165,063	$ 148,703
Long-term debt	24,897	19,098
Cap. lease oblig.	91,789	93,383
Prov. for ins. claims	10,323	10,855
Deferred inc. taxes	17,351	13,366
Other liabilities	1,564	—
\+ Common stock	15,064	15,064
Add. paid-in capital	2,214	2,636
Retained earnings	213,236	179,883
Treasury stock	(1,786)	(14,200)
Total Liabilities & Shareholders' Equity	$ 539,715	$ 478,788

* At lower of cost (primarily LIFO) or market
# Less accumulated depreciation
+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	3.85	3.74
%Net Income to Sales	2.11	2.07
%Net Income to Equity	19.77	20.95
Sales to Inventories	17.49	17.80
Working Capital	$68,415,000	$56,969,000
Current Ratio	1.41	1.38
Shareholders' Equity	$228,728,000	$193,383,000

Glosser Bros., Inc.

Franklin & Locust Streets
Johnstown, Pennsylvania 15901
(814) 536-6633

Officers: Leonard I. Black, chairman of the board; Alvin M. Glosser, president; Herbert S. Sinberg, Paul I. Glosser, sr. v.p.'s; William L. Glosser, secretary; Thomas J. Zurilla, treasurer

Directors: Leonard I. Black*, Alvin M. Glosser*, Isadore Glosser, Samuel B. Roth, Paul I. Glosser*, Herbert Sinberg*, Sydney Ossip, William L. Glosser*, Clarence A. Peterson, Richard L. Van Horn, W. Louis Coppersmith, Elmer G. Grant, Donald M. Robinson, Wilbur A. Steger

* Member of the Executive Committee

Business Activities: Comprised of two operating divisions: the Department Store Division and the Supermarket Division. The department store division retails hardline and softline merchandise. The softline merchandise is comprised of women's, men's and children's apparel; hardlines are comprised of personal care items, home and auto products, and supplies. The supermarket division retails only food and related products.

Operates Glosser Bros., a full line department store in downtown Johnstown, 17 Gee Bee Discount department stores and 10 free-standing Gee Bee Supermarkets. Also operates 6 U-Sav Food Warehouse Stores. Apparel stores are called Gee Bee Jr., Family Apparel Store, Winners, Ladies Off-Price Specialty Store, and Dollar Bargain Stores.

Transfer Agent(s):

Mellon Bank, N.A.
Mellon Square
Pittsburgh, Pennsylvania 15230

Stock Exchange(s): American

Ticker Symbol: GEE

Number of Stores: (at fiscal year end)

	Department Stores	Supermarkets	Apparel Stores
1985	46	16	1
1984	19	15	1
1983	21	15	1
1982	20	13	2
1981	19	13	1

Sales and Earnings

	Net Sales	Net Income
1985	$ 280,079,632	$ 4,224,305
1984	252,879,770	4,313,593
1983	223,751,872	3,105,733

1982	181,745,286	1,256,075
1981*	174,295,019	1,777,606

	No. of Com. Shares †	Earn. per Share ‡
1985	2,269,901	$ 1.87
1984	2,263,545	1.92
1983	2,244,926	1.38
1982	2,244,926	0.56
1981*	2,244,926	0.79

* 53 weeks

† Adjusted to reflect stock split

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1985	$0.42		
1984	0.37		3 for 2
1983	0.33		
1982	0.32		
1981	0.32		

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 32,912,908	$ 14.50
1984	29,537,513	13.08
1983	25,844,714	11.51
1982	23,472,355	10.45
1981	22,934,606	10.21

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended	1/26/85	1/28/84
Net sales	$ 280,079,632	$ 252,879,770
Other income	2,131,202	2,325,386
Total Income	$ 282,210,834	$ 255,205,156
Cost of sales	205,595,588	184,242,108
Expenses	67,474,837	61,700,241
Interest expense	918,104	566,214
Expenses related to store closing	150,000	538,000
Income before taxes	$ 8,072,305	$ 8,158,593
Income taxes	3,848,000	3,845,000
Net Income	$ 4,224,305	$ 4,313,593

* Included in Costs and Expenses, Depreciation and Amortization: $2,788,671 in 1985 and $2,758,011 in 1984.

Assets

As of	1/26/85	1/28/84
Cash	$ 1,213,127	$ 4,553,068
Accts. receiv., net	5,976,786	4,506,698
*Inventories	27,478,591	22,784,843
Prepaid expenses	1,388,722	951,096
Current Assets	$ 36,077,226	$ 32,795,705
#Fixed assets	13,052,231	11,909,544
Other assets	524,322	332,813
Total Assets	$ 49,653,779	$ 45,038,062

Liabilities

Mortgage payable	$ 170,273	$ 299,933
Accts. payable	4,587,847	5,095,378
Accruals	5,080,576	4,466,333
Income taxes	811,876	1,489,664
Defer. inc. taxes	585,000	416,000
Dividends payable	248,990	224,493
Curr. Liabilities	$ 11,794,562	$ 11,991,801
Long-term debt	3,974,309	2,717,748
Deferred inc. taxes	972,000	791,000
+ Common stock	914,646	914,646
Add. paid in capital	6,697,692	6,638,932
Retained earnings	26,286,022	23,012,406
Treasury stock	(985,452)	(1,028,471)
Total Liabilities & Shareholders' Equity	$ 49,653,779	$ 45,038,062

* At lower of cost (LIFO) or market.

# Less accumulated depreciation and amortization.

+ No par value.

Statistical Summary

% Income bef. Taxes to Sales	2.88	3.23
% Net Income to Sales	1.51	1.71
% Net Income to Equity	12.83	14.60
Sales to Inventories	10.19	11.10
Working Capital	$24,282,664	$20,803,904
Current Ratio	3.06	2.73
Shareholders' Equity	$32,912,908	$29,537,513

Godfrey Company

1200 West Sunset Drive
Waukesha, Wisconsin 53187
(414) 542-9311

Officers: John A. Godfrey, chairman of the board; Robert F. Norris, vice chairman & chief executive officer; James H. De Wees, president; Allen C. Gehrke, sr. v.p. engineering & development; Clifford G. Kowalski, sr. v.p. retail operations; Rodger G. Scott, sr. v.p. personnel; Douglas R. Barth, v.p. warehouse & transportation operations; Kenneth E. Wilkinson, v.p. meats; Rodney L. Vaughan, v.p. merchandising; Michael J. George, v.p., chief financial officer & treasurer; Dorothy J. Rau, secretary; Edward T. O'Donnell, v.p. & controller.

Directors: John A. Godfrey, Thomas W. Godfrey, Eugene P. Lawler, Ted C. Wetterau, Wilbert E. Schauer, Robert F. Norris, Dean F. Thomas, Milton F. Lewis, James H. Dewees, Michael J. George.

Business Activities: Godfrey Company is a food distributor and retailer in the greater Milwaukee and southern Wisconsin areas. Under the name Sentry Food Stores. Also operates a True Value hardware store.

Subsidiaries:

Crestwood Bakery
1710 South 108 Street
West Allis, Wisconsin 53214
(414) 453-4790

Artesian Farms, Inc.
RR #1
Palmyra, Wisconsin 53156
(414) 495-2421

Store Equipment, Inc.
1200 W. Sunset Drive
Waukesha, Wisconsin 53187
(414) 542-9311

Sentry Markets, Inc.
1200 West Sunset Drive
Waukesha, Wisconsin 53187
(414) 542-9311

Ball Motor Service, Inc.
1200 West Sunset Drive
Waukesha, Wisconsin 53187
(414) 542-9311

Sentry Drugs, Inc.
1200 West Sunset Drive
Waukesha, Wisconsin 53187
(414) 542-9311

Jay's of Waukesha, Inc.
1200 West Sunset Drive
Waukesha, Wisconsin 53187
(414) 542-9311

Acquisition(s):

Hub City Foods Incorporated
Marshfield, Wisconsin
Wholesale food distributor

Transfer Agent(s):

First Wisconsin Trust Company
P.O. Box 2054
Milwaukee, Wisconsin 53201

Stock Exchange(s): Over the Counter

Ticker Symbol: GDFY (NASDAQ)

Number of Stores: (at fiscal year end)

1985	84	1982	93
1984	85	1981	90
1983	88		

Sales and Earnings

	Net Sales	Net Income
1984	$ 533,813,000	$ 2,781,000
1983	499,393,000	1,508,000
1982	485,715,000	2,069,000
1981	447,136,000	2,665,000
1980	408,345,000	2,588,000

	No. of Com. Shares #	Earn. per Share ‡
1984	2,414,897	$ 1.15
1983	2,368,689	0.63
1982	2,370,189	0.87
1981	2,384,716	1.12
1980	2,384,716	1.09

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock splits.

# Adjusted to reflect stock dividend and stock splits.

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1984	$0.50		3 for 2
1983	0.48		
1982	0.48		
1981	0.48		
1980	0.46	10%	3 for 2

† Adjusted to reflect stock dividend and stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 28,940,000	$ 11.98
1983	26,936,000	11.37
1982	26,576,000	11.21
1981	25,730,000	10.81
1980	24,290,000	10.17

‡ Adjusted to reflect stock dividend and stock splits.

Income Account *

Year ended	2/23/85	2/25/84
Net sales	$ 533,813,000	$ 499,393,000
Cost of sales	455,707,000	424,490,000
Expenses	71,758,000	70,044,000
Interest & other debt exp.	1,967,000	1,981,000
Income before taxes	$ 4,381,000	$ 2,878,000
Income taxes	1,600,000	1,370,000
Net Income	$ 2,781,000	$ 1,508,000

* Included in Costs and Expenses, Depreciation and Amortization: $5,035,000 in 1985 and $6,210,000 in 1984.

Assets

As of	2/23/85	2/25/84
Cash	$ 2,603,000	$ 874,000
U.S. Treasury bills	11,550,000	5,988,000
Accts. receiv., net	3,381,000	4,031,000
*Inventories	29,013,000	26,221,000
Prepaid exp. & taxes	5,106,000	1,794,000
Deferred employee benefits	2,394,000	2,060,000
Curr. Assets	$ 54,047,000	$ 40,968,000

Investments	1,535,000	1,455,000
#Fixed assets	40,596,000	39,044,000
Total Assets	$ 96,178,000	$ 81,467,000

Liabilities

Long-term debt curr	$ 1,990,000	$ 1,585,000
Accts payable	28,035,000	21,422,000
Accured compensation	5,614,000	4,108,000
Accured employee benefits	1,781,000	2,060,000
Fed & state taxes	553,000	294,000
Other taxes	2,132,000	1,896,000
Curr Liabilities	$ 40,105,000	$ 31,365,000
Long-term debt	22,156,000	19,367,000
Deferred compensation	3,476,000	2,706,000
Deferred inc taxes	1,501,000	1,093,000
+ Common stock	2,434,000	1,592,000
Add paid-in capital	9,979,000	10,402,000
Retained earnings	16,685,000	15,096,000
Treasury stock	(158,000)	(154,000)
Total Liabilities & Shareholders' Equity	$ 96,178,000	$ 81,467,000

* At lower of cost (LIFO) or market
# Less accumulated depreciation & amortization
+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	0.82	0.58
%Net Income to Sales	0.52	0.30
%Net Income to Equity	9.61	5.60
Sales to Inventories	18.40	19.05
Working Capital	$13,942,000	$9,603,000
Current Ratio	1.35	1.31
Shareholders' Equity	$28,940,000	$26,936,000

Gordon Jewelry Corporation

820 Fannin Street
Houston, Texas 77002
(713) 222-8080

Officers: Harry B. Gordon, Aron S. Gordon, co-chairmen; Daniel P. Gordon, president & chief exec. officer; W. Lowry Barfield, vice-chairman, chief financial officer & secretary; James C. Gordon, exec. v.p. & chief operating officer; Larry T. Hampton, sr. v.p.-credit & security administration; Leonard R. Schneider, sr. v.p.-real estate; J.L. Miller, sr. v.p.; Ray A. Gipson, v.p.-corporate administration; Morton Levin, Joe N. Viser, B. Ray Bond, Robert W. Bridel, v.p.'s; Robert A. Miller, Jr., v.p.-store systems & admin.; Joe F. Williams, v.p.-store design & construction; William R. Leighton, v.p. & treasurer; J. David Adams, v.p.-mgt. training & development; Harvey S. Barandes, asst. v.p.-merchandising; Irving L. Robbins, v.p.-Catalog-Showroom Stores Division; Vincent Ambriola, v.p.-corporate info. systems; R. John Bensing, Lawson E. Evans, Paul C. Johnson, Hayden S. Kaye, Robert J. Naudin, asst. v.p.'s; Robert L. Biediger, v.p.-Catalog-Showroom Stores Division; Nelda Brister, Sylvia Marasek, Mary Dell Lacy, asst. secretaries; James E. Ferguson, asst. v.p.-inventory management; Ralph B. Gomez, asst. v.p.-advertising director; Richard H. Liebman, asst. v.p.-business systems dir.; Donna M. Murphy, asst. v.p.-jewelry mdse. mgr.; Robert L. Lukens, asst. controller; Barre B. Monigold, asst. v.p.-air media director; William B. Sheil, asst. v.p.-corporate communications director; Dennis D. Sucec, v.p.-corporate tax mgr.; Glenn J. Blessman, asst. treasurer-budget director; Stanley Grossman, v.p.-store mdse. coordinator.

Directors: Harry B. Gordon, Aron S. Gordon, James C. Gordon, Edward F. Clark, Jr., W. Lowry Barfield, Daniel P. Gordon, John E. Whitmore, Larry T. Hampton, Leonard Schneider, Jack S. Blanton, Roy L. Dye, Jr., Arnold M. Miller, Douglas B. Gordon, L. William Heiligbrodt.

Business Activities: Operates a chain of jewelry stores throughout the United States and Puerto Rico. The names of the company's traditional jewelry stores are: Citizens, Feder's, Lawton's, Linz Bros., Kolstad Jewelers, Palley's Jewelers, Mermond-Jaccard-King, D.P. Paul, Rost, Steifos, Stief-Jaccard's, Sweeney's, and J. Herbert Hall Jewelers. The names of the company's contemporary jewelry stores are Gordon's Jewelers and Daniel's Jewelers. The Company also operates a chain of catalog-showroom stores.

Divisions:

Contemporary Jewelry Stores Division
Traditional Jewelry Stores Division
Catalog-Showroom Stores Division
Leased Fine Jewelry Departments Division

Transfer Agent(s):

Texas Commerce Bank, N.A.
National Association
Houston, Texas 77002

Stock Exchange(s): New York

Ticker Symbol: GOR

Number of Stores: (at fiscal year end)

	Jewelry Stores	Leased Dept	Catalog Showrooms
1984	605		55
1983	597	37	49
1982	590	46	45
1981	559	47	41
1980	500	43	31

Sales and Earnings

	Net Sales +	Net Income
1984	$ 506,425,819	$ 27,338,600
1983	474,853,221	19,825,102
1982	489,804,050	21,724,465
1981	481,534,351	26,309,440
1980	445,190,096	24,490,909

	No. of Com. Shares ‡	Earn. per Share #
1984	11,765,301	$ 2.33
1983	11,386,951	1.76
1982	11,197,606	1.94
1981	11,184,544	2.36
1980	11,057,802	2.20

+ Of continuing operations only
‡ Class A and Class B stock combined, adjusted to reflect stock splits
# Based on the average number of common shares and common equivalents outstanding adjusted to reflect stock splits

Revenues By Line of Business

	1984	1983	1982	1981
Contemporary stores	45%	42%	41%	41%
Catalog-Showroom stores	28	30	29	28
Traditional stores	26	25	27	28
Leased depts.	1	3	3	3
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984 Class A	$0.465	—	4-for-3
1983 Class A	0.42	—	—
1982 Class A	0.42	—	—
1981 Class A	0.38	—	3-for-2
1980 Class A	0.35	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 260,388,634	$ 22.13
1983	233,030,210	20.46
1982	215,262,665	19.22
1981	198,109,975	17.71
1980	174,612,488	15.79

‡ Based on common stock Classes A and B combined, adjusted to reflect stock splits.

Income Account *

Year ended Aug. 31	1984	1983
Net sales	$ 506,425,819	$ 474,853,221
Cost of sales	295,932,854	273,943,430
Expenses	157,798,162	147,047,647
Prov. for doubtful accts.	9,469,008	8,532,635
Interest expense	4,366,153	7,550,775
Gain on sale of assets	(9,527,958)	
Income before taxes	$ 48,387,600	$ 37,778,734
Income taxes	21,049,000	17,953,632
Net Income	$ 27,338,600	$ 19,825,102

* Included in Costs and Expenses: Depreciation and Amortization: $5,772,598 in 1984 and $5,557,825 in 1983.

Assets

As of Aug. 31	1984	1983
Cash	$ 7,365,048	$ 6,782,405
Accts. recvs., net	81,446,078	71,947,816
Other recvs.	2,090,250	1,943,187
*Inventories	254,293,876	221,196,989
Prepaid expenses	1,875,949	510,898
Current Assets	$ 347,071,201	$ 302,381,295
Investments	3,540,378	3,054,431
#Fixed assets	46,273,000	47,775,648
Other assets	11,805,409	11,381,656
Total Assets	$ 405,149,610	$ 341,538,599

Liabilities

Notes payable	$ 29,887,742	$ 5,509,058
Accts. payable	52,881,538	43,674,017
Accruals	16,085,838	13,747,562
Income taxes	27,108,000	25,962,000
Curr. Liabilities	$ 125,963,118	$ 88,892,637
Long-term debt	18,797,858	19,615,752
+ Common stock	11,765,301	11,386,951
Add. paid-in capital	24,873,366	19,774,037
Retained earnings	223,749,967	201,869,222
Total Liabilities & Shareholders' Equity	$ 405,149,610	$ 341,538,599

* At lower of cost or market.
# Less accumulated depreciation.
+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	9.55	7.95
%Net Income to Sales	5.40	4.17
%Net Income to Equity	10.50	8.50
Sales to Inventories	1.99	2.14
Working Capital	$221,108,083	$213,488,658
Current Ratio	2.76	3.40
Shareholders' Equity	$260,388,634	$233,030,210

W.R. Grace & Co.

Grace Plaza
1114 Avenue of the Americas
New York, New York 10036
(212) 819-5500

Officers: J. Peter Grace, chairman of the board & chief executive officer; Carl Graf, president & chief operating officer; Charles H. Erhart, Jr., vice chairman & chief administrative officer; Harold R. Logan, D. Walter Robbins, Jr., vice chairmen; Felix E. Larkin, chairman of the executive committee; Robert A. Clabault, Terrence D. Daniels, Lloyd L. Jaquier, Robert W. Samuels, Anwar Soliman, Lawrence C. McQuade, Edward H. Tutun, exec. v.p.'s; Albert A. Eustis, exec. v.p., general counsel & secretary; John F. Spellman, exec. v.p. & chief financial officer; J.P. Bolduc, Charles E. Brookes, J. Murfree Butler, Henry C. Conrad, Thomas M. Doyle, Donald E. Grimm, Christian F. Horn, Leonard Kamsky, Antonio Navarro, George J. Winchell, E. Harold Culp, Gerald G. Garbacz, Kenneth G. Gilkey, O. Benjamin Hander, Robert E. Herlihy, Donald H. Kohnken, Carl W. Lorentzen, sr. v.p.'s, Richard L. Bowditch, Jr., sr. v.p. & treasurer, F. Peter Boer, Samuel J. Cerny, Charles H. Ehlers, Francis D. Flanagan, Thomas R. Fowler, James R. Gregath, Adley W. Hemphill, John Hirsch, Fred E. Bennet, William B. Sturgis, Daniel P. Tucci, Laurence R. Veator, Jr., Rodney M. Vining, John F. Williams, Elwood S. Wood, Roger V. Rowe, John A. Dudley, Klaus G. Scheye, John L. Sisk, vice presidents, Francis J. Brennan, v.p. & treasurer, Brian J. Smith, v.p. & controller

Directors: J. Peter Grace, chairman, Terrence D. Daniels, Edward W. Duffy, Harold A. Eckmann, Charles H. Erhart, Jr., Mark C. Feer, Friedrich K. Flick, Raymond C. Foster, George P. Gardner, Jr., Carl N. Graf, Paul F. Hellmuth, George P. Jenkins, Werner Kneip, Felix E. Larkin, Harold R. Logan, Frank E. Mackle, Jr., Roger Milliken, Gunter M. Paefgen, Henry G. Parks, Jr., John E. Phipps, William W. Prince, John A. Puelicher, Eben W. Pyne, D. Walter Robbins, Jr., John F. Spellman, Edward Tuttan, Grace Sloan Vance, David L. Yunich, Joachim Zahn

Business Activities: Chemical Activities: Agricultural and industrial chemical operations encompass a broad range of products including container sealants and application equipment, auto exhaust catalysts for pollution control and petroleum cracking catalysts for the refining industry, flexible plastic packaging materials and equipment, printing blankets and letterpress plates from commercial and newspaper presses, concrete and mixtures and insulating materials for construction, chelating agents and surfactants used in textile processing and soap manufacture, compounds, and water and waste treatment chemicals for industrial and municipal water systems.

Natural Resource Activities: Exploration, development and production of new domestic sources of energy-oil, gas and coal; specialized oil fields services and pulp and paper manufacturing.

Retail Activities: Operates 112 retail sporting goods stores under the name of Herman's World of Sporting Goods in the Northeast, Midwest and Mid Atlantic states. 293 home improvement centers are operated, under the names Channel, Handy Dan, Handy City, Orchard Supply Hardware, Angels, Houseworks, Allwoods and Cashway Building Materials. Operates 10 Shepler stores in a world-wide catalog business specializing in leisure wear with a Western motif. Operates 76 J.B. Robinson Jewelry Stores and 102 Bermans leather apparel units.

Restaurant Activities: Operates 587 family restaurants, theme restaurants, dinnerhouses, specialty restaurants, Mexican dinnerhouses and fast-food restaurants throughout the country under such names as Coco's, Jojos, Del Taco, Houlihan's, Reuben's, and El Torito.

Operating Groups & Divisions:

Industrial Chemical Group
Agricultural Chemical Group
Natural Resources Group
General Business
Restaurant Group
    Far West Services
    El Torito-La Fiesta
    Gilbert/Robinson
    Del Taco Corporation
    Jojo's
Retail Group
    Herman's World of Sporting Goods
    Channel
    Handy City
    Orchard Supply
    Sheplers
    Bermans
    Allwoods
    Angels
    Handy Dan
    Cashway
    J.B. Robinson Jewelers

Acquisition(s):

Amicon Corporation
S.H. Mack
Mist Food 'n Fun, Inc.
T. J. Applebee's, Inc.
Diamonite Products Manufacturing, Inc.

Transfer Agent(s):

Marine Midland Bank
140 Broadway, 12th Floor
New York, New York 10015

Stock Exchange(s): New York, Midwest, Pacific, Boston, Cincinnati, Philadelphia, Amsterdam, Basle, Frankfurt, Geneva, Hamburg, Lausanne, London, Paris, Zurich.

Ticker Symbol: GRA

Number of Stores: (at fiscal year end)

1984	583

Sales and Earnings

	Net Sales ‡ (000's)	Net Income (000's)
1984	$ 6,727,800	$ 195,600
1983	6,219,500	159,700
1982	6,126,100	319,800
1981	6,542,300	365,200
1980	6,137,000	289,200

	No. of Com. Shares #	Earn. per Share #
1984	48,504,000	$ 4.02
1983	48,431,000	3.28
1982	48,399,000	6.59
1981	48,292,000	7.55
1980	47,686,000	6.05

‡ Includes operating revenues
# Based on the weighted average number of common shares and common share equivalents outstanding

Revenues By Line of Business
(000's)

	1984	1983
Chemical		
Specialty	$ 2,170,000	$ 2,105,000
Agriculture	678,000	655,000
Natural resources	568,000	551,000
Consumer		
Specialty retailing	1,792,000	1,547,000
Restaurant	771,000	710,000
General	749,000	651,000
Total	$ 6,728,000	$ 6,219,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$2.80	—	—
1983	2.80	—	—
1982	2.70	—	—
1981	2.45	—	—
1980	2.175	—	—

Common Stock Equity

	Total Equity‡ (000's)	Equity Per Share
1984	$ 2,187,100	$ 45.07
1983	2,172,000	44.80
1982	2,189,300	45.23
1981	2,059,400	42.54

‡ After allowing for preferred stock at par value

Income Account
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 6,727,800	$ 6,219,500
Other income	67,400	71,800
Total Income	$ 6,795,200	$ 6,291,300
Cost of sales	4,344,400	4,044,800
Expenses	1,539,900	1,443,000
Depreciation, depletion & amortization	324,800	304,600
Research & devel.	78,600	70,700
Interest expense	181,600	164,200
Income before taxes	$ 325,900	$ 264,000
Income taxes	130,300	104,300
Net Income	$ 195,600	$ 159,700

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 156,800	$ 163,700
Notes & accts. receiv., net	652,500	642,900
*Inventories	1,044,300	897,500
Other assets	57,000	56,400
Current Assets	$ 1,910,600	$ 1,760,500
Energy serv. equip. & other assets	303,300	299,600
Investments & advances	275,800	171,100
#Fixed assets	2,704,200	2,715,400
Intangibles	134,100	88,000
Total Assets	$ 5,328,000	$ 5,034,600

Liabilities
(000's)

	1984	1983
Loans payable	$ 196,800	$ 151,600
Accts. payable	617,100	589,100
Income taxes	100,800	90,200
Other liabilities	245,300	241,000
Curr. Liabilities	$ 1,160,000	$ 1,071,900
Long-term debt	1,507,200	1,349,400
Other liabilities	162,400	131,600
Deferred inc. taxes	301,000	299,400
+ Preferred stock	10,300	10,300
+ + Common stock	48,600	48,600
Add. paid-in capital	464,600	463,200
Retained earnings	1,824,700	1,765,600
For. curr. adjust.	(147,500)	(101,900)
Treasury stock	(3,300)	(3,500)
Total Liabilities & Shareholders' Equity	$ 5,328,000	$ 5,034,600

* At lower of cost or market
# Less accumulated depreciation and depletion
+ $100 par value
+ + $1 par value

Statistical Summary

	1984	1983
% Income bef. Taxes to Sales	4.84	4.24
% Net Income to Sales	2.91	2.57
% Net Income to Equity	8.90	7.32
Sales to Inventories	6.44	6.93
Working Capital	$ 750,600,000	$ 688,600,000
Current Ratio	1.65	1.64
Shareholders' Equity	$2,197,400,000	$2,182,300,000

Grafton Group Limited

(51% of the common shares owned by Greywinds Investments Limited)

9 Sunlight Park Road
P.O. Box 108
Postal Station G
Toronto, Ontario M4M 3G1, Canada
(416) 461-9411

Officers: W. A. Heaslip, chairman, chief executive officer & president; T.E. Topping, exec. v.p.; G.A. Reynolds, v.p. finance, secretary & treasurer

Directors: Charles A. Cadieux, William A. Heaslip*, William F. James, James W. McCutcheon*, Stewart Philp*, H. John McDonald, George A. Reynolds*, T. Edward Topping, David B. Weldon*, Douglas C. Woolley, Thomas R. Young

* Member of Executive Committee

Business Activities: The Company is a specialty retailer of apparel and footwear. Men's and boy's wear is sold through 7 Jacks stores, 20 Apparel Clearance Centers, 121 licensed departments in Woolco stores in Canada, 146 Jack Fraser, 44

Grafton Group Limited

Elk's, 22 George Richards stores. Women's wear is sold through 111 Loft, 33 Sideffects, and 103 Mark Henry Seifert's. Casual wear is sold through 53 Dapper Dan outlets and stores. Footwear is sold in 224 stores and leased departments in the U.S. and Canada.

Divisions and Subsidiaries:

Jack Fraser Stores Division
Grafton Fraser Inc.
George Richards Kingsize Clothes Limited (50% interest)
Toby Industries Limited
Grafton Realty Company, Limited
Maher Inc.
James B. McGregor Division
Forsyth Trading Company Limited (joint venture 33⅓% interest)
Barcley Lanes Shoes
McGregor Division
SeiFert's Incorporated
Oak Bay Corporation

Transfer Agent(s):

Guaranty Trust Company of Canada

Stock Exchange(s): Toronto

Ticker Symbol: GFGT

Number of Stores: (at fiscal year end)

1985	925	1982	863
1984	914	1981	773
1983	911		

Sales and Earnings

	Net Sales	Net Income *
1985	$ 461,954,000	$ 23,272,000
1984	420,654,000	18,456,000
1983	382,277,000	10,763,000
1982	368,345,000	8,948,000
1981	316,259,000	20,088,000

	No. of Com. Shares ‡	Earn. per Share ‡ † *
1985	6,246,340	$ 3.35
1984	6,246,340	2.64
1983	6,246,340	1.45
1982	6,246,340	1.16
1981	6,246,340	2.92

* Including extraordinary gains of $728,000 ($0.12 per share) in 1985, $301,000 ($0.05 per share) in 1984 and extraordinary loss of $5,398,000 ($0.86 per share) in 1982.
‡ Based on weighted average number of Class A and common shares outstanding.
† Assuming full dilution.

Revenues By Line of Business

	1985	1984
Retail		
Apparel	$ 368,247,000	$ 325,176,000
Footwear	75,142,000	76,459,000
Home furnishings	18,565,000	19,019,000
Total	$ 461,954,000	$ 420,654,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.62		
1984	0.56		
1983	0.56		—
1982	0.54		—
1981	0.46		

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 128,370,000	$ 20.55
1984	110,297,000	17.66
1983	97,794,000	15.66
1982	92,637,000	14.83
1981	89,277,000	14.29

‡ Based on the weighted average number of Class A and common shares outstanding.

Income Account

Year ended Jan. 31	1985	1984
Net sales		
Retail	$ 443,389,000	$ 401,635,000
Mfg	18,565,000	19,019,000
Total Revenues	$ 461,954,000	$ 420,654,000
Cost of sales & expenses	411,860,000	377,625,000
Depreciation	8,050,000	7,565,000
Amortization of cost	665,000	714,000
Interest expense	5,686,000	6,056,000
Misc. income	(3,666,000)	(3,545,000)
For. exch. loss	197,000	—
Income before taxes	$ 39,162,000	$ 32,239,000
Income taxes	16,068,000	13,767,000
Minority interest	550,000	317,000
Net Income	$ 22,544,000	$ 18,155,000
Extraordinary gain	728,000	301,000
Net Income & extraord. gain	$ 23,272,000	$ 18,456,000

Assets

As of Jan. 31	1985	1984
Cash	$ 63,196,000	$ 58,635,000
Marketable securities	12,055,000	3,406,000
Accts. receiv., net	18,785,000	17,162,000
*Inventories	70,172,000	62,757,000
Prepaid exp. & deposits	2,106,000	1,921,000
Current Assets	$ 166,314,000	$ 143,881,000
Investments	15,075,000	14,693,000
#Fixed assets	44,087,000	43,025,000
Unamort. fin. costs	169,000	195,000
Intangibles	14,917,000	15,170,000
Total Assets	$ 240,562,000	$ 216,964,000

Liabilities

	1985	1984
Long-term debt & cap. lease oblig., curr.	$ 5,606,000	$ 4,263,000
Accts. payable & accruals	57,924,000	51,757,000
Income & other taxes	8,816,000	7,897,000
Curr. Liabilities	$ 72,346,000	$ 63,917,000
Long-term debt	28,756,000	32,581,000
Cap. lease oblig.	5,970,000	6,624,000
Minority interest	2,783,000	1,947,000
Deferred inc. taxes	2,337,000	1,598,000
+ Common stock	9,995,000	10,566,000
For. curr. adj.	599,000	(260,000)
Retained earnings	117,776,000	99,991,000
Total Liabilities & Shareholders' Equity	$ 240,562,000	$ 216,964,000

* Retail inventories at lower of cost or market and net realizable value, less normal profit margin. Raw materials at lower of cost and replacement cost.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

	1985	1984
% Income bef. Taxes to Revenues	8.48	7.66
% Net Income to Revenues	4.88	4.32
% Net Income to Equity	17.56	16.46
Working Capital	$ 93,968,000	$ 79,964,000
Current Ratio	2.30	2.25
Shareholders' Equity	$128,370,000	$110,297,000

Grand Auto, Inc.

7200 Edgewater Drive
Oakland, California 94621
(415) 568-6500

Officers: Irving E. Krantzman, president, chief executive officer & chairman of the board; Max M. Brown, sr. exec. v.p.; John F. Goodsell, exec. v.p. & chief financial officer; R.J. Micheletti, v.p.-industrial relations/personnel; Earl L. Eastin, v.p.-Super G; Albert T. Schneider, v.p.-store development/facilities; Donald J. Nickols, v.p.-operations; Bruce J. Levitan, asst. v.p.-operations; Robert Seymour, v.p.-merchandising; Ellington Owensby, v.p.-construction/property; R.N. Stefan, secretary.

Directors: Irving E. Krantzman, chairman; Max M. Brown; Simon I. Brown; John F. Holman; Raymond Bolton; Barry S. Garfinkle; Marvin E. Bruce.

Business Activities: Operates a chain of company-owned automotive supply stores located in California and Nevada.

Transfer Agent(s):

The Bank of California, N.A.
San Francisco, California

Stock Exchange(s): American, Pacific

Ticker Symbol: GAI

Number of Stores: (at fiscal year end)

1985	86	1982	79
1984	84	1981	77
1983	80		

Sales and Earnings

	Net Sales	Net Income
1985	$ 154,282,000	$ 4,877,000
1984	139,503,000	5,089,000
1983	122,190,000	3,540,000
1982*	119,989,000	2,642,000
1981	100,213,207	2,114,503

	No. of Com. Shares +	Earn. per Share #
1985	2,996,865	$ 1.63
1984	2,983,665	1.71
1983	2,970,465	1.20
1982*	2,947,665	0.90
1981	2,939,865	0.72

* 53 weeks.
+ Adjusted to reflect stock split.
# Based on the average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1985	$0.32		
1984	0.26		3-for-1
1983	0.19		
1982	0.16		
1981	0.13		

# Adjusted to reflect stock split.

Common Stock Equity

	Total Equity +	Equity Per Share #
1985	$ 29,774,000	$ 9.94
1984	25,908,000	8.68
1983	21,529,000	7.25
1982	18,451,000	6.26
1981	16,258,461	5.53

# Adjusted to reflect stock split.

Income Account

Year ended	1-27-85	1-29-84
Net sales	$ 154,282,000	$ 139,503,000
Cost of sales	102,553,000	91,159,000
Expenses	37,357,000	34,267,000

Depreciation & amortization	2,861,000	2,380,000
Interest expense	2,163,000	1,868,000
Income before taxes	$ 9,348,000	$ 9,929,000
Income taxes	4,471,000	4,840,000
Net Income	$ 4,877,000	$ 5,089,000

Assets

As of	1/27/85	1/29/84
Cash	$ 710,000	$ 793,000
Accts. receiv., net	9,775,000	10,194,000
*Inventories	31,671,000	28,144,000
Prepaid expenses	609,000	559,000
Current Assets	$ 42,765,000	$ 39,690,000
#Fixed assets	29,006,000	26,815,000
Other assets	1,112,000	1,073,000
Total Assets	$ 72,883,000	$ 67,578,000

Liabilities

Long-term debt, curr.	$ 458,000	$ 446,000
Accts. payable	9,715,000	8,724,000
Accruals	7,856,000	8,373,000
Income taxes	2,316,000	2,292,000
Other taxes	1,904,000	1,865,000
Curr. Liabilities	$ 22,249,000	$ 21,700,000
Long-term debt	13,823,000	13,240,000
Oblig. under cap. leases	6,803,000	6,490,000
Deferred income	234,000	240,000
+ Common stock	4,278,000	4,183,000
Retained earnings	25,496,000	21,725,000
Total Liabilities & Shareholders' Equity	$ 72,883,000	$ 67,578,000

* At cost (LIFO)
# Less accumulated depreciation & amortization
+ No par value

Statistical Summary

%Income bef. Taxes to Sales	6.05	7.12
%Net Income to Sales	3.16	3.65
%Net Income to Equity	16.38	19.64
Sales to Inventories	4.87	4.96
Working Capital	$20,516,000	$17,990,000
Current Ratio	1.92	1.83
Shareholders' Equity	$29,774,000	$25,908,000

GranTree Corporation

2501 S.W. First Ave.
P.O. Box 3210
Portland, Oregon 97208
(503) 223-1161

Officers: Walker M. Treece, chairman of the board, chief executive officer & president, Gary A. Kisling, exec. v.p. & chief operating officer, Zolman M. Cohen, v.p. retail sales div., Charles P. Murphy, v.p. rental division, Vern J. Bender, v.p. rental operations, Gerdon Fahland, v.p. marketing, J. Franklin Cable, secretary, Jada A. Watson, asst. secretary, William A. Norris, treasurer.

Directors: Walker M. Treece, chairman, Raymond M. Alexander, Howell Appling, Jr., Claire M. Gray, George E. Keck, R.H. Noyes, Jr., Lyman E. Seely.

Business Activities: Operates 80 rental furniture showrooms and 29 retail furniture stores in eight western and southwestern states and two western Canadian provinces.

Transfer Agent(s):

First Interstate Bank of Oregon, N.A.
P.O. Box 2971
Portland, Oregon 97208

Stock Exchange(s): National

Ticker Symbol: GTRE (NASDAQ)

Number of Stores: (at fiscal year end)

1984	32	1981	30
1983	29	1980	26
1982	28		

Sales and Earnings

	Revenues +	Net Income
1984	$ 82,160,000	$ 1,114,000
1983*	74,867,000	1,202,000
1982	70,682,000	1,289,000
1981	68,234,000	894,000
1980	77,746,000	520,000

	No. of Com. Shares	Earn. per Share #
1984	2,857,000	$ 0.39
1983*	2,839,000	0.42
1982	2,814,000	0.46
1981	2,814,000	0.32
1980	2,813,000	0.19

* 53 weeks
+ Of continuing operations only
# Based on the weighted average number of shares outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	0.06	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 21,835,000	$ 7.64
1983	20,653,000	7.27
1982	19,367,000	6.88
1981	18,076,000	6.43
1980	17,121,000	6.09

Income Account *
(000's)

Year ended	11/1/84	11/3/83 (53 weeks)
Furniture rentals & fees	$ 42,107	$ 40,076
Sales of furniture	40,053	34,791
Total revenue	$ 82,160	$ 74,867
Cost of sales	24,141	21,621
Expenses	55,076	50,274
Interest expense	2,110	1,610
Income before taxes	$ 833	$ 1,362
Income taxes (credit)	(281)	160
Net Income	$ 1,114	$ 1,202

* Included in Costs and Expenses, Depreciation and Amortization: $5,618,000 in 1984 and $5,186,000 in 1983.

Assets
(000's)

As of	11/1/84	11/3/83
Cash	$ 424	$ 633
Furniture rental receiv., net	710	335
*Furniture purch. for sale	5,420	6,004
Rental furniture, net	12,357	9,484
Assets of Canadian oper.	3,527	3,334
Other curr. assets	1,546	1,579
Current Assets	$ 23,984	$ 21,369
Rental furniture, net	22,499	17,307
#Fixed assets	6,115	5,899
Other assets	1,662	714
Intangibles	1,000	1,037
Total Assets	$ 55,260	$ 46,326

Liabilities
(000's)

Long-term debt, curr.	$ 155	$ 135
Accts. payable & other	6,172	5,389
Income taxes	1,943	2,327
Current Liabilities	$ 8,270	$ 7,851
Long-term debt	21,256	13,704
Income taxes	3,899	4,118
+ Common stock	300	298
Add. paid-in capital	9,570	9,490
Retained earnings	12,470	11,356
Treasury stock	(505)	(491)
Total Liabilities & Shareholders' Equity	$ 55,260	$ 46,326

* At lower of standard cost (average) or market
# Less accumulated depreciation
+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Revenues	1.01	1.82
%Net Income to Revenues	1.36	1.61
%Net Income to Equity	5.10	5.82
Working Capital	$15,714,000	$13,518,000
Current Ratio	2.90	2.72
Shareholders' Equity	$21,835,000	$20,653,000

The Great Atlantic & Pacific Tea Company, Inc.

(50.3% owned by Tengelmann Warenhandels-Gesellschaft)

Box 418
2 Paragon Drive
Montvale, New Jersey 07645
(201) 573-9700

Officers: James Wood, chairman of the board & chief exec. officer, P. Louis Sherwood, president, James W. Rowe, vice chairman, chief admin. officer & asst. to the chief exec. officer, Eckart C. Siess, vice chairman international operations, Alan C. Goulding, sr. exec. v.p., president & chief operating officer U.S. A&P Retail operations, John J. Miles, sr. exec. v.p., chairman & president Family Centers, Inc., Vito A. Cardace, sr. v.p. & chief financial officer, Joseph H. McCarthy, exec. v.p. U.S. A&P store operations, Peter O'Gorman, sr. v.p. development, Ivan K. Szathmary, sr. v.p. information & administration systems, Robert G. Ulrich, sr. v.p. & general counsel, Randall A. Bostwick, v.p. & president Super Market Service Corporation, James B. Burmeister, v.p. Carolina Group, Timothy J. Courtney, v.p. taxation, William W. Jackson, v.p. Southeastern Group, H. Nelson Lewis, v.p. retail operations services, James L. Madden, v.p. Mid-Atlantic Group, Peter Brooker, v.p. & secretary, George K. Raven, treasurer, Michael J. Rourke, v.p. marketing, Donald B. Dobson, v.p. Southern Group, Burton J. Weinbaum, v.p. Northeast Group, Carlyle Sherwin, president A&P Michigan, William G. Spearman, president Kohl's Food Stores, Martin H. Kern, exec. v.p. merchandising purchasing & distribution, Edward C. Mossop, sr. v.p. & chairman A&P Canada, Thomas L. Barrett, v.p. human resources, O.C. Cook, v.p. meat merchandising, Jack DiFiore, v.p. & president Super Fresh Markets, Paul Gallant, v.p. Compass Foods, Peter R. Lavoy, v.p. grocery mdsg. and purchasing, Frank Leonard, v.p. real estate & A&P properties, Joseph Quirk, v.p. industrial relations, John D. Ryder, v.p. marketing, Richard J. Scola, asst. secretary & asst. gen. counsel, Robert W. Toomey, v.p. warehouse distribution, John Sherrard, v.p. Richmond Group, J. Paul Stillwell, v.p. Metro New York Group.

Directors: James Wood, chairman, Harold J. Berry, Walter D. Dance, Rosemarie Baumeister, Eckart C. Siess, Helga Haub, Christopher F. Edley, James W. Rowe, Paul C. Nagel, Jr., Barbara Barnes Hauptfuhrer, Fritz Teelen, Henry W. Van Baalen.

Business Activities: Operates a chain of supermarkets under the A&P, PLUS and Family Mart names in the United States and Canada.

Acquisition(s):

Dominion Stores Ltd.
Toronto, Ontario, Canada
Chain of 93 supermarkets in Ontario

The Great Atlantic & Pacific Tea Company, Inc.

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): New York, Boston*, Cincinnati*, Detroit*, Pittsburgh*, Midwest*, Phila-Balt-Wash*

* Unlisted trading privileges

Ticker Symbol: GAP

Number of Stores: (at fiscal year end)

1984	1,001	1981	1,543
1983	1,022	1980	1,542
1982	1,055		

Sales and Earnings

	Net Sales (000's)	Net Income† (000's)
1984	$ 5,222,013	$ 47,551
1983	4,607,817	31,211
1982	6,226,755	(101,633)
1981	6,989,529	(43,049)
1980*	6,684,179	(3,807)

	No. of Com. Shares ‡	Earn. per Share ‡†
1984	37,455,944	$ 1.27
1983	37,398,884	0.83
1982	37,392,784	—
1981	31,833,356	—
1980*	24,892,137	—

(Loss)
* 53 weeks
† Including extraordinary gains of $16,150,000 ($0.43 per share) in 1984, $9,850,000 ($0.26 per share) in 1983 and $130,000,000 ($3.47 per share) in 1982
‡ Based on the weighted average number of shares outstanding each year

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 375,789,000	$ 10.03
1983	329,372,000	8.81
1982	302,153,000	8.08
1981	403,786,000	12.68
1980	394,091,000	15.83

Income Account
(000's)

Year ended	2/25/84	2/26/83
Net sales	$ 5,222,013	$ 4,607,817
Cost of sales	4,041,033	3,575,901
Expenses	1,038,476	914,404
Depreciation & amortization	54,205	49,870
Oper. profit	$ 88,299	$ 67,642
Interest expense	24,348	22,581
Income before taxes	$ 63,951	$ 45,061
Income taxes	32,550	23,700
Net Income	$ 31,401	$ 21,361
Extraordinary credit	16,150	9,850
Net Income & extraord. credit	$ 47,551	$ 31,211

Assets
(000's)

As of	2/25/84	2/26/83
Cash & short term invest.	$ 65,195	$ 98,449
Accts. receiv., net	49,929	58,094
*Inventories	494,034	414,650
Prepaid expenses	6,955	3,799
Prop. held for devel. & sale	38,153	17,809
Current Assets	$ 654,266	$ 592,801
#Fixed assets	405,537	349,418
Other assets	140,125	145,176
Total Assets	$ 1,199,928	$ 1,087,395

Liabilities
(000's)

Long-term debt, curr.	$ 19,007	$ 11,859
Cap. lease oblig., curr.	12,562	10,679
Accts. payable	291,180	232,410
Facilities clos. res. & other accruals	65,184	60,531
Accrued payroll	70,434	61,381
Other taxes	29,518	30,872
Curr. Liabilities	$ 487,885	$ 407,732
Long-term debt	106,152	116,557
Deferred inc. taxes	12,214	8,811
Facilities clos. res. & other liab.	64,857	81,763
Obligations under capital leases	153,031	143,160
+ Common stock	37,509	37,405
Add. paid-in capital	421,715	421,109
Retained earnings (deficit)	(77,530)	(125,081)
Cum. trans. adjust.	(5,905)	(4,061)
Total Liabilities & Shareholders' Equity	$ 1,199,928	$ 1,087,395

* At lower of cost or market
# Less accumulated depreciation
+ $1 par value

Statistical Summary

% Income bef. Taxes to Sales	1.22	0.98
% Net Income to Sales	0.60	0.46
% Net Income to Equity	8.36	6.49
Sales to Inventories	10.57	11.11
Working Capital	$166,381,000	$185,069,000
Current Ratio	1.34	1.45
Shareholders' Equity	$375,789,000	$329,372,000

Greenman Bros. Inc.

105 Price Parkway
Farmingdale, New York 11735
(516) 293-5300

Officers: Bernard Greenman, chairman of the board & chief exec. officer; Stewart Katz, president & chief operating officer; David Yankey, v.p. finance & asst. secretary; Stanley Greenman, treasurer & secretary.

Directors: Bernard Greenman*, Stewart Katz*, David Yankey, Jack Greenman, Stanley Greenman*, George Schor, Stanley Strocker*, Joshua Bibliowitz, Jerry Kassel

* Member of the Executive Committee

Business Activities: Operates a chain of 41 retail toy specialty stores located in regional malls in the southeast under the name "Playworld". Also operates 6 free standing "Playworld" retail toy stores located in New York. Also engaged in wholesaling of toys, games, hobbycrafts and housewares in New York, New Jersey and Florida.

Transfer Agent(s):

Manufacturers Hanover Trust Company
4 New York Plaza
New York, New York

Stock Exchange(s): American

Ticker Symbol: GMN

Number of Stores: (at fiscal year end)

1984	78	1981	11
1983	52	1980	11
1982	40		

Sales and Earnings

	Net Sales	Net Income
1985	$ 172,879,000	$ 7,069,000
1984	117,303,000	3,524,000
1983	101,204,184	2,484,965
1982	96,389,862	2,094,724
1981	86,569,198	1,270,389

	No. of Com. Shares ‡	Earn. per Share ‡
1985	3,808,540	$ 1.86
1984	3,967,555	0.89
1983	4,079,200	0.61
1982	5,684,194	0.37
1981	5,320,802	0.24

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985			4 for 3 & 5 for 4
1984			3 for 2
1983			5 for 4

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 28,717,000	$ 7.54
1984	22,592,000	5.69
1983	19,953,000	4.89
1982	17,026,098	3.00
1981	18,736,354	3.52

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits

Income Account

Year ended	2/2/85	1/28/84
Net sales	$ 172,879,000	$ 117,303,000
Cost of sales	128,276,000	86,412,000
Expenses	28,369,000	21,936,000
Depreciation & amortization	1,178,000	1,021,000
Prov. for doubt. accts.	395,000	435,000
Interest expense	531,000	801,000
Income before taxes	$ 14,130,000	$ 6,698,000
Income taxes	7,061,000	3,174,000
Net Income	$ 7,069,000	$ 3,524,000

Assets

As of	2/2/85	1/28/84
Cash	$ 6,635,000	$ 2,413,000
Accts. receiv., net	14,190,000	12,481,000
*Inventories	32,853,000	25,882,000
Other assets	1,194,000	1,153,000
Current Assets	$ 54,872,000	$ 41,929,000
#Fixed assets	9,160,000	8,248,000
Other assets	971,000	484,000
Total Assets	$ 65,003,000	$ 50,661,000

Liabilities

Long term debt, curr.	$ 500,000	$ 500,000
Cap. lease oblig., curr.	156,000	148,000
Accts. payable	25,317,000	19,809,000
Accruals	4,140,000	2,640,000
Income taxes	4,248,000	2,518,000
Curr. Liabilities	$ 34,361,000	$ 25,615,000
Long term debt	500,000	1,000,000
Cap. lease oblig.	1,136,000	1,292,000
Def. taxes on income	289,000	162,000
+ Common stock	377,000	236,000
Add. paid-in capital	3,139,000	4,224,000
Retained earnings	25,201,000	18,132,000
Total Liabilities & Shareholders' Equity	$ 65,003,000	$ 50,661,000

* At lower of cost (LIFO and FIFO) or market
# Less accumulated depreciation
+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Sales	8.17	5.71
% Net Income to Sales	4.09	3.00
% Net Income to Equity	24.62	15.60
Sales to Inventories	5.26	4.53
Working Capital	$20,511,000	$16,314,000
Current Ratio	1.60	1.64
Shareholders' Equity	$28,717,000	$22,592,000

Gulf + Western Industries, Inc.

1 Gulf + Western Plaza
New York, New York 10023
(212) 333-7000

Officers: Martin S. Davis, chairman & chief exec. officer. Reece A. Overcash, Jr., James I. Spiegel, sr. exec. v.p.'s; Lawrence E. Levinson, Donald Oresman, exec. v.p.'s; Michael S. Hope, exec. v.p. & chief financial officer; Mel Anderson, sr. v.p.-human resources; Peter A. Butler, v.p.-risk management; Thomas E. Harrison, Jr., v.p. & patent counsel; Rudolph L. Hertlein, v.p.-systems; Edgar W. Levin, sr. v.p.-corporate planning & development; Eugene I. Meyers, sr. v.p.-tax counsel; James E. Parent, v.p.-financial & investor relations; William F. Ryan, v.p. & treasurer; Jerry Sherman, v.p.-corporate communications; George Yarbenet, v.p.-real estate; Thomas M. Bartlett, Raymond M. Nowak, Thomas E. Cotti, v.p.'s.

Directors: Martin S. Davis*, Judd Leighton, T.H. Neyland*, Donald Oresman*, Irwin Schloss*, Samuel J. Silberman*, George A. Smathers, Gerald E. Miller*, Henry A. Walker, Jr., Grace J. Fippinger*, James A. Nicholas, Yvette Bluhdorn, Irving R. Fischer, George Weissman.

* Member of the Executive Committee

Areas of Work: Gulf + Western's 3 operating groups are: Consumer & Industrial Products Group, Entertainment & Communications and Financial Services.

Operating Group & Subsidiaries:

Consumer & Industrial Products Group

Manufacturing

The Manufacturing Group is engaged in the manufacturing of automotive and appliance components, marine, military and commercial hardware, primary metals, air conditioning and refrigeration equipment and components, electronic connectors, electrical wire and cable, iron, steel, traffic and industrial control systems, research and development.

Gulf + Western Manufacturing Co.
Collyer Insulated Wire
Unicord
Producciones Automotrices, S.A.
Elco Corp.
Eagle Signal

Entertainment & Communications

Engaged in the production, financing and distribution of motion pictures for exhibition in appropriate media and the production and distribution of television film series, also engaged in the publication of hard cover and paperback books, music publishing and the distribution of educational films.

Prentice-Hall
Miss Teen U.S.A.
Paramount Pictures Corp.
United International Pictures
Simon & Schuster
Madison Square Garden Corp.
Madison Square Garden Communications Network
Hughes Television Network
Madison Square Garden Cablevision
Madison Square Garden Television
USA Network
Esquire, Inc.

Consumer Products

Engaged in the manufacture and marketing of a wide variety of apparel for men, women and children and specialty home furnishings mattresses, and sofabeds, and the manufacture and marketing to manufacturers and retail stores of specialty textile products.

Kayser-Roth Corporation
Simmons U.S.A.
Simmons Universal
Katzenbach & Warren

Automotive

Engaged in the distribution of automotive replacement parts in the United States.

Big A
American Parts System

Financial Services

Makes direct installment loans, financing sales of consumer and industrial products, wholesale financing, industrial and commercial financing and underwriting insurance.

Heritage Federal Savings & Loan Association
Associates National Bank
Associates First Capital Corporation
Associates Corp. of North America
THE ASSOCIATES
Associates Commercial Corp.
Cumberland Life Insurance Co.
Emmco Insurance Co.
Associates National Bank Execu-Charge Visa
The United States Auto Club

Transfer Agent(s):

Manufacturers Hanover Trust Company
450 W. 33rd Street
New York, New York 10001

Montreal Trust Company
15 King Street West
Toronto, Ontario Canada M5H 1B4

Stock Exchange(s): New York, Toronto, London, Basel, Geneva, Zurich

Ticker Symbol: GW

Number of Stores: (at fiscal year end)

1984	110	1981	100
1983	113	1980	9
1982	100		

Sales and Earnings

	Net Sales ‡	Net Income
1984	$4,182,200,000	$ 259,900,000
1983	3,690,500,000	(212,053,000)
1982	3,587,100,000	168,602,000
1981	3,387,800,000	290,887,000
1980	3,150,700,000	255,284,000

	No. of Com. Shares †	Earn. per Share †
1984	72,600,000	$ 3.57
1983	75,888,000	
1982	74,561,000	2.17
1981	75,381,000	3.75
1980	56,046,000	4.38

(Loss)
‡ Includes operating revenues, of continuing operations only.
† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Consumer & indust. prods.		
Apparel & hosiery	$ 1,069,000	$ 1,007,000
Manufacturing	712,000	562,000
Bedding & home furn.	572,000	537,000
Auto. parts dist.	337,000	308,000
Entertainment & commun.		
Motion pictures & TV	1,007,000	844,000
Publishing & other	485,000	432,000
Total	$ 4,182,000	$ 3,690,000

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$0.90	—	—
1983	0.75	—	—
1982	0.75	—	—
1981	0.75	—	—
1980	0.638	—	5-for-4

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity (000's)	Equity Per Share ‡
1984	$ 1,836,500	$ 26.22
1983	1,893,924	24.52
1982	2,085,762#	28.18
1981	2,081,487#	27.48
1980	1,538,745#	27.21

After allowing for preferred shares at a total liquidation value.
‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended July 31	1984	1983
Net sales & revenues	$ 4,182,200	$ 3,690,000
Eq. in earn. of affil.	179,200	141,100
Total Income	$ 4,361,400	$ 3,831,600
Cost of sales	2,994,100	2,702,000
Expenses	904,800	843,300
Interest expense	80,800	158,800
Other income	(62,500)	(251,100)
Income before taxes	$ 444,200	$ 378,600
Income taxes	180,900	136,000
Inc.-cont. oper.	$ 263,300	$ 242,600
Loss - discont. oper.	(3,400)	(454,700)
Net Income (Loss)	$ 259,900	$ (212,100)

* Included in Costs and Expenses, Depreciation $57,100,000 in 1984 and $54,400,000 in 1983.

Assets
(000's)

As of July 31	1984	1983
Cash	$ 74,000	$ 134,142
Marketable securities	—	57,041
Accts. receiv., net	722,200	640,694
*Inventories	660,900	700,513
Assets of discont. oper.	3,800	88,341
Prepaid expenses	616,400	557,630
Current Assets	$ 2,077,300	$ 2,178,361
#Fixed assets	419,700	674,060
Other assets	1,651,600	1,565,755
Total Assets	$ 4,148,600	$ 4,418,176

Liabilities
(000's)

	1984	1983
Notes payable & comm. paper	$ 12,500	$ 30,110
Long-term debt, curr.	106,800	129,463
Accts. payable	227,100	216,689
Accruals	745,300	708,341
Income taxes	27,800	39,890
Curr. Liabilities	$ 1,119,500	$ 1,124,493
Long-term debt	858,200	991,706
Deferred liabilities	319,800	393,490
+ Redeem. pref. stock	14,600	14,563
+ + Common stock	70,000	77,253
Add. paid-in capital	533,400	589,931
Retained earnings	1,288,600	1,264,605
Cum. trans adjust.	(55,500)	(37,865)
Total Liabilities & Shareholders' Equity	$ 4,148,600	$ 4,418,176

* At lower of cost (FIFO or average) or net realizable value.
# Less accumulated depreciation and depletion.
+ $100 stated value, cumulative convertible.
+ + $1 par value.

Gulf + Western Industries, Inc.

Statistical Summary

% Net Income to Equity	14.15	—
Working Capital	$ 957,800,000	$1,053,868,000
Current Ratio	1.86	1.94
Shareholders' Equity	$1,836,500,000	$1,893,924,000

Hannaford Bros. Co.

145 Pleasant Hill Road
Scarborough, Maine 04074
(207) 883-2911

Mailing address:

P.O. Box 1000
Portland, Maine 04104

Officers: James L. Moody, Jr., chairman of the board & chief executive officer; Hugh G. Farrington, president & chief operating officer; Ralph T. Perry, sr. v.p.; Roger W. Hoyt, sr. v.p.-retail operations; Everett F. Johnson, v.p.-governmental relations & administrative services; Virgil E. Beane, v.p.-distribution; Norman E. Brackett, v.p.-management services; Larry A. Plotkin, v.p.-corp. development; James J. Jermann, v.p.-merchandising; Robert E. Duaton, v.p.-Wellby super drug stores; Larry A. Plotkin, v.p.-corporate development; Katherine M. Greenleaf, v.p.-human resources; John J. Russell, sr. v.p. & treasurer; Albert F. Carville, Jr., v.p.-technical services; Robert B. Williamson, Jr., secretary & clerk; Charles H. Crockett, Peter B. Webster, asst. secretaries.

Directors: William D. Ireland, Jr.*, J. Robert Kinney, David F. Sobey, James L. Moody, Jr.*, Florence C. Petrlik, John J. Russell*, Walter J. Salmon*, Edward J. Schmick, Duane Peters, Hugh G. Farrington*, Herbert H. Goldberger, William T. End, Robert D. Bolinder.

* Member of the Executive Committee

Business Activities: Sells food and non-food items through 67 Shop'n Save, or Martin's supermarkets in Maine, New Hampshire and Vermont; 44 are wholly owned, 23 are majority owned. Operates 28 wholly owned Wellby Super Drug Stores. Owns a wholesale distributor of specialty foods, general merchandise, and health and beauty aids.

Subsidiaries:

The Sampson Supermarkets, Inc.
Food Town, Inc.
Cottle's Shop 'n Save, Inc. (80% owned)
Shop-Rite Supermarkets, Inc. (51% owned)
Shop'n Save Inc.
Analytical Services, Inc.
Wellby Super Drug Stores, Inc.
South Paris Shop N' Save, Inc. (51% owned)
Hampden Food Stores (51% owned)
Martin's Food of South Burlington, Inc.
Guy's Super Markets, Inc. (51% owned)
Progressive Distributors, Inc. (51% owned)
Hanbro, Inc.
Hannaford Properties, Inc.
M- Red Co.
Shop 'n Save Realty, Inc.
Hannaford Trucking Company
Second Hannaford Properties, Inc.
Third Hannaford Properties, Inc.
MB Shop, Inc.
MB-Save, Inc.

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): American

Ticker Symbol: HRD

Number of Stores: (at fiscal year end) *

1984	98	1981	102
1983	96	1980	104
1982	103		

* Including "partnership" and wholly owned stores.

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 707,282	$ 11,346
1983	624,340	9,642
1982	559,209	7,889
1981	530,151	6,382
1980	476,582	4,926

	No. of Com. Shares ‡	Earn. per Share ‡
1984	5,329,584	$ 2.13
1983	4,993,784	1.93
1982	4,247,709	1.86
1981	4,063,953	1.57
1980	3,882,237	1.27

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1984	$0.583	50%	—
1983	0.533	—	—
1982	0.450	100%	—
1981	0.383	—	—
1980	0.313	—	—

† Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 71,963,247	$ 13.50
1983	63,103,644	12.64
1982	41,670,021	9.81
1981	35,692,336	8.78
1980	28,581,592	7.36

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Income Account *

Year ended	12/29/84	12/31/83
Net sales	$ 707,282,486	$ 624,339,892
Cost of sales	539,271,978	477,572,061
Expenses	141,207,454	123,710,344
Interest expense	4,798,757	3,174,465
Income before taxes	$ 22,004,297	$ 19,883,022
Income taxes	9,570,052	9,165,559
Minority interest	1,087,567	1,074,845
Net Income	$ 11,346,678	$ 9,642,618

* Included in Costs and Expenses, Depreciation and Amortization: $10,318,093 in 1984 and $8,579,287 in 1983.

Assets

As of	12/29/84	12/31/83
Cash & cash equiv.	$ 2,726,740	$ 7,958,724
Short-term invest.	7,875,000	2,660,000
Notes & accts. receiv.	4,699,628	3,359,135
Tax refunds	252,468	—
Investment in leases, curr.	32,524	27,625
*Inventories	49,292,664	36,693,394
Prepaid expenses	1,103,435	873,894
Deferred inc. taxes	509,000	264,000
Current Assets	$ 66,491,459	$ 51,836,772
#Fixed assets	107,679,995	77,999,003
Oblig. under cap. leases	17,225,438	14,358,224
Investments	1,949,021	32,421
Other assets	7,259,814	6,854,789
Total Assets	$ 200,605,727	$ 151,081,209

Liabilities

Short-term borrowing	$ 5,000,000	$ 500,000
Long-term debt, curr.	2,142,720	1,566,636
Accts. payable	28,999,909	23,068,933
Accruals	12,580,552	8,977,343
Income taxes	—	2,034,901
Oblig. under cap. lease, curr.	983,364	911,109
Curr. Liabilities	$ 49,706,545	$ 37,058,922
Long term debt	46,889,971	23,638,264
Oblig. under cap. lease	21,035,349	18,104,306
Deferred credit	5,334,903	2,673,144
Minority interest	5,675,712	6,502,929
+ Common stock	4,026,294	3,995,681
Add. paid-in capital	21,398,061	20,895,546
Retained earnings	46,598,904	38,372,695
Treasury stock	(60,012)	(160,278)
Total Liabilities & Shareholders' Equity	$ 200,605,727	$ 151,081,209

* At lower of cost (FIFO) or market, groceries at cost (LIFO)
# Less accumulated depreciation
+ $0.75 par value

Statistical Summary

% Income bef. Taxes to Sales	3.11	3.18
% Net Income to Sales	1.60	1.54
% Net Income to Equity	15.77	15.28
Sales to Inventories	14.35	17.02
Working Capital	$16,784,914	$14,777,850
Current Ratio	1.34	1.40
Shareholders' Equity	$71,963,247	$63,103,644

Hartmarx

(formerly Hart Schaffner & Marx)

101 North Wacker Drive
Chicago, Illinois 60606
(312) 372-6300

Officers: Richard P. Hamilton, chairman, president and chief executive officer; John R. Meinert, vice chairman and chief financial and administrative officer; Sherman D. Rosen, v.p.-human resources; Ralph Kaufmann, v.p.-licensing; Frank Brenner, v.p.-marketing services; Alan Minoff, v.p.-corporate strategy & development; Mark J. Lies, v.p. & treasurer; Jerome Dorf, sr. v.p.; E.O. Hand, group president-Men's Apparel Group; Harvey Weinberg, group chairman-Specialty Stores Group; Glenn R. Morgan, controller; Carey M. Stein, associate general counsel.

Directors: John D. Gray*, Jerome S. Gore*, John R. Meinert, Burton B. Ruby, Charles Marshall*, James F. Chambers, Jr.*, Paul A. Conley*, A. Robert Abboud*, James E. Devitt*, Richard P. Hamilton, Donald P. Jacobs*, Raymond Farley*, Harvey A. Weinberg.

* Member of the Executive Committee

Business Activities: Designs and manufactures a wide variety of men's and women's apparel. The Company's retail activities are conducted through a network of specialty apparel stores throughout the United States and 49%-owned Mexican affiliate.

Divisions and Subsidiaries:

Manufacturing Group

Austin Reed of Regent Street
Christian Dior
Society Brand Ltd.
Graham & Gunn Ltd.
Fashionaire
Hart Schaffner & Marx Clothes

all at:
101 North Wacker Drive
Chicago, Illinois 60606
Plants located: Chicago (3) and Rock Island (2), Illinois; Rochester, Indiana; Cape Giradeau & Chaffee, Missouri

Hickey-Freeman Co., Inc.
1155 Clinton Avenue, North
Rochester, New York 14621

M. Wile & Company, Inc.
2020 Elmwood Avenue
Buffalo, New York 14207

Johnny Carson Apparel, Inc.
2020 Elmwood Avenue
Buffalo, New York 14207

Jaymar-Ruby, Inc.
5000 South Ohio Street
Michigan City, Indiana 46360

Intercontinental Apparel, Inc.
888 7th Avenue
New York, New York 10019

Gleneagles, Inc.
808 Gleneagles Court
Baltimore, Maryland 21204

Country Miss, Inc.
Tatumy & Kesslersville
P.O. Box 769
Easton, Pennsylvania 18042

Whiteville Apparel Corporation
1 Wilmington Road
Whiteville, North Carolina 28472

Thorngate Uniforms, Inc.
2 DeKalb Street
Norristown, Pennsylvania 19401

Retail Stores Group

Baskin
Chicago, Rockford, Champaign-Urbana, Illinois; Madison, Wisconsin; Fort Wayne, Indiana

Ray Beers
Topeka, Kansas

Blackburn's
Amarillo, Texas

Capper & Capper, Ltd.
Chicago, Illinois
Detroit, Michigan

Field Bros.
New York, New Jersey

Arthur Frank
Salt Lake City, Utah

Frank Bros.
San Antonio, Texas

Hanny's
Phoenix, Arizona

Hastings
San Francisco, Oakland, San Jose & Monterey, California

Jack Henry
Kansas City, Missouri

Heyward Mahon
Greenville, South Carolina

J.O. Jones
Charlotte & Raleigh, North Carolina

Kleinhans
Buffalo, New York

Klopfenstein's
Seattle & Tacoma, Washington; Portland, Eugene, Salem, Oregon; Anchorage, Alaska

Leopold Price & Rolle
Houston, Texas

Levy-Wolf
Jacksonville, Florida

Liemandt's
Minneapolis, St. Paul, Minnesota

Littler
Seattle, Washington

Merritt Schaefer & Brown
Austin, Texas

Porter-Stevens
New Orleans, Louisiana

Root's
Summit and Red Bank, New Jersey

Shulman's
Norfolk & Hampton, Virginia

Silverwoods
Los Angeles, Palm Springs, Anaheim, Santa Barbara, California
Las Vegas, Nevada

Stevens
Jackson, Mississippi

F.R. Tripler & Co.
New York, New York

Walkers
Columbus, Dayton, Akron & Canton, Ohio

Wallachs
New York, Connecticut, Massachusetts, New Jersey, Rhode Island & New Hampshire

Wallachs of Florida
Miami, Fort Lauderdale, Boca Raton, & Pompano Beach, Florida

Jas. K. Wilson
Dallas and Ft. Worth, Texas

Wolf Bros.
Tampa, St. Petersburg, Ft. Myers & Bradenton, Florida

Zachry
Savannah, Atlanta, Georgia; Montgomery, Alabama; Asheville, North Carolina

National Clothing
St. Louis, Missouri; Ft. Wayne, Indiana

Polo Shop
Seattle, Washington

deJong's
Evansville, Indiana

Chas. A. Stevens
Chicago, Rockford & Merrillville, Illinois

Robert's (49% owned)
Mexico City, Mexico

Transfer Agent(s):

The First National Bank of Chicago
Chicago, Illinois 60670

Stock Exchange(s): New York, Midwest

Ticker Symbol: HSM

Number of Stores: (at fiscal year end)

1984	453	1981	310
1983	400	1980	281
1982	348		

Sales and Earnings

	Net Sales	Net Income
1984	$1,070,830,000	$ 41,735,000
1983	961,846,000	37,615,000
1982	863,231,000	31,870,000
1981	815,560,000	27,410,000
1980	674,888,000	22,525,000

	No. of Com. Shares +	Earn. per Share ‡
1984	12,393,604	$ 3.36
1983	12,238,624	3.05
1982	11,967,807	2.51
1981	12,866,287	2.11
1980	12,615,684	1.75

+ Adjusted to reflect stock split.
‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1984	1983	1982	1981
Retail stores division	57%	56%	53%	54%
Manufacturing division	43	44	47	46
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$1.12	—	—
1983	0.91⅓	—	3-for-2
1982	0.80⅔	—	—
1981	0.72⅔	—	—
1980	0.64⅔	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 301,891,000	$ 24.36
1983	271,703,000	22.20
1982	241,250,000‡	20.19
1981	242,358,000‡	18.89
1980	221,283,000‡	17.67

‡ After allowing for preferred stock at liquidation value of $67.50 per share.
† Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Nov. 30	1984	1983
Net sales	$ 1,070,830	$ 961,846
Other income	16,984	15,036
Total income	$ 1,087,814	$ 976,882
Cost of sales	626,309	571,945
Expenses	368,899	321,279
Interest expense	12,311	10,728
Income before taxes	$ 80,295	$ 72,930
Income taxes	38,560	35,315
Net Income	$ 41,735	$ 37,615

* Included in Costs and Expenses, Depreciation and Amortization: $17,069,000 in 1984 and $15,151,000 in 1983.

Assets
(000's)

As of Nov. 30	1984	1983
Cash & short term inv.	$ 6,750	$ 5,680
Accts. receiv., net	169,612	165,521
*Inventories	306,140	256,129
Prepaid expenses	5,055	3,984
Current Assets	$ 487,557	$ 431,314
#Fixed assets	115,948	100,415
Other assets	10,031	11,115
Total Assets	$ 613,536	$ 542,844

Liabilities
(000's)

	1984	1983
Notes payable	$ 33,000	$ 8,000
Long-term debt, curr.	6,642	4,950
Accts. payable & accruals	133,646	133,077
Income taxes	10,143	11,284
Deferred taxes	17,638	13,268
Curr. Liabilities	$ 201,069	$ 170,579
Long-term debt	110,576	100,562
+ Common stock	34,625	34,478
Add. paid-in capital	17,195	15,916
Retained earnings	279,543	251,599

Treasury stock	(23,596)	(24,414)
Foreign curr. adj.	(5,876)	(5,876)
Total Liabilities & Shareholders' Equity	$ 613,536	$ 542,844

* At lower of cost (LIFO and FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value, Series A.
+ + $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.50	7.58
%Net Income to Sales	3.90	3.91
%Net Income to Equity	13.82	13.84
Sales to Inventories	3.50	3.76
Working Capital	$286,488,000	$260,735,000
Current Ratio	2.42	2.53
Shareholders' Equity	$301,891,000	$271,703,000

The Harvey Group

350 Jericho Turnpike
Syosset, New York 11791
(516) 364-9420

Officers: Harvey E. Sampson, chairman of the board & president; Edward J. Maher, vice chairman; Alfred Stoddart, exec. v.p. & chief financial officer; Michael Agoglia, v.p. & controller; John W. Taylor, v.p.; Dennis R. Wilson, secretary.

Directors: Michael E. Gellert, Harvey E. Sampson, C. Virgil Martin, Richard M. Ramin, Edward J. Maher, William F. Kenny, III, Alfred Stoddart, John M. Fox, Samuel N. Irwin.

Business Activities: Engaged in the retail sale of audio and high-fidelity equipment, home entertainment systems, video electronic equipment, television sets, professional and home recording equipment, phonograph records, tapes, and similar products; operates stores in New York City, Westchester and Long Island, New York. Also operates a food brokerage division.

Divisions and Subsidiaries:

Harvey Electronics
New York, New York

Boerner Company
Great Neck, New York

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: HRA

Number of Stores: (at fiscal year end)

1983	3	1980	3
1982	3	1979	3
1981	3		

Sales and Earnings

	Revenues +	Net Income
1983	$ 23,754,104	$ (3,610,987)
1982	21,034,486	(1,085,435)
1981	19,258,617	1,209,523
1980	17,435,232	1,877,551
1979*	15,197,334	1,359,503

	No. of Com. Shares	Earn. per Share ‡#
1983	2,550,215	$ —
1982	2,527,726	—
1981	2,205,800	0.53
1980	2,122,512	0.85
1979*	2,066,762	0.62

* 53 weeks.
‡ Including extraordinary gain of $544,082 ($0.25 per share) in 1979 and extraordinary loss of $118,000 ($0.05 per share) in 1983.
# Based on the weighted average number of common shares and common share equivalents outstanding.
+ Of continuing operations only.

Revenues By Line of Business

	1983	1982
Food brokerage	$ 10,264,300	$ 9,311,900
Other	13,489,804	11,405,444
Total segments	$ 23,754,104	$ 20,717,344
Proceeds from life insurance	—	317,142
Revenues	$ 23,754,104	$ 21,034,486

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 10,122,607	$ 3.97
1982	13,727,244	5.43
1981	13,048,787	5.92
1980	11,659,169	5.49
1979	9,725,868	4.71

Income Account *

Year ended	1/29/83	1/30/82
Net sales	$ 13,489,804	$ 11,405,444
Other income	10,264,300	9,311,900
Proceeds from life insurance	—	317,142
Total Income	$ 23,754,104	$ 21,034,486
Cost of sales	9,782,920	8,302,888
Expenses	12,917,710	10,842,910
Interest expense	793,907	712,565
Income before taxes	$ 259,567	$ 1,176,123
Income taxes	164,183	400,000
Inc. cont. oper.	$ 95,384	$ 776,123
Loss-discont. oper.	(3,587,571)	(1,861,558)
Net Loss	$ (3,492,187)	$ (1,085,435)
Extraord. loss	(118,800)	—
Net Loss & extraord. loss	$ (3,610,987)	$ (1,085,435)

* Included in Costs and Expenses, Depreciation and Amortization: $209,173 in 1983 and $268,239 in 1982.

Assets

As of	1/29/83	1/30/82
Cash	$ 307,973	$ 444,128
Receiv., net	2,356,086	1,953,334
Refundable income taxes	745,769	1,804,072
*Inventories	3,380,527	2,625,655
Prepaid expenses & other assets	79,883	88,008
Receiv. on dispos. of discont. oper.	4,176,948	—
Assets of discont. oper.	—	24,458,785
Current Assets	$ 11,047,186	$ 31,373,982
#Fixed assets	1,109,283	1,097,902
Other assets	4,524,121	7,181,347
Total Assets	$ 16,680,590	$ 39,653,231

Liabilities

Notes payable	$ 350,000	$ —
Long-term debt, curr.	264,148	2,306,565
Accts. payable	965,171	918,435
Accruals	1,212,835	1,481,042
Cash overdrafts	1,072,781	—
Income taxes	303,311	444,266
Accrued exp. concerning discont. oper.	645,227	—
Curr. Liabilities	$ 4,813,473	$ 5,150,308
Long-term debt	1,073,070	20,156,249
Cap. lease oblig.	140,907	172,784
Other liab.	427,533	343,646
Def. income taxes	103,000	103,000
+ Common stock	2,550,215	2,527,726
Add. paid-in capital	5,937,483	5,953,622
Retained earnings	1,634,909	5,245,896
Total Liabilities & Shareholders' Equity	$ 16,680,590	$ 39,653,231

* At lower of cost (FIFO) or market.
# Less accumulated depreciation & amortization.
+ $1 par value.

Statistical Summary

Sales to Inventories	3.99	4.34
Working Capital	$6,233,713	$26,223,674
Current Ratio	2.30	6.09
Shareholders' Equity	$10,122,607	$13,727,244

Haverty Furniture Companies, Inc.

866 West Peachtree Street, N.W.
Atlanta, Georgia 30308
(404) 881-1911

Mailing address:

P.O. Box 54678
Civic Center Station
Atlanta, Georgia 30308

Officers: Rawson Haverty, chairman; Frank S. McGaughey, Jr., president; Leonard O. Gay, exec. vice president, treasurer & chief financial officer; Vernon B. White, v.p.; John E. Slater, Jr., v.p.; James E. Smith, v.p.; Hugh G. Wells, Jr., v.p. & asst. treasurer; Christine M. Jones, secretary; Daniel E. Walters, v.p.; Clarence H. Smith, v.p.; Roger P. Whitaker, v.p.; Thomas P. Currin, asst. v.p.; Joan S. Nagy, asst. v.p.; Rawson Haverty, Jr., asst. secretary; Dan C. Bryant, comptroller.

Directors: Rawson Haverty, Mrs. Clarence Haverty, Frank S. McGaughey, Jr., Leonard O. Gay, Vernon B. White, F. M. Jones, Jr., Alexander W. Smith, Gordon Jones, Fred J. Bates, George E. Smith, John Rhodes Haverty, Clarence H. Ridley, Kenneth Black, Jr., John C. Wilson, James R. Jones, John E. Slater, Jr.

Business Activities: Operates a chain of retail furniture showrooms in 10 southern states.

Transfer Agent(s):

The First National Bank of Atlanta
P.O. Box 3260
Atlanta, Georgia 30302

Stock Exchange(s): Over-the-Counter

Ticker Symbol: HAVT (NASDAQ)

Number of Stores: (at fiscal year end)

1984	65	1981	65
1983	65	1980	68
1982	65		

Sales and Earnings

	Net Sales *	Net Income
1984	$ 175,462,815	$ 6,870,764
1983	155,044,526	5,345,721
1982	125,059,313	2,610,280
1981	122,454,525	2,030,544
1980	110,937,215	2,480,034

	No. of Com. Shares #	Earn. per Share #
1984	2,793,305	$ 2.31
1983	2,779,055	1.92
1982	2,620,978	1.00
1981	2,658,423	0.76
1980	2,703,729	0.92

* Includes service charges and credit life insurance revenues.
# Based on the average number of shares outstanding adjusted to reflect stock dividend and stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.48	—	—
1983	0.36	—	2-for-1 & 5-for-4
1982	0.32	5%	—
1981	0.31	—	—
1980	0.30	—	—

+ Adjusted to reflect stock dividend and stock splits

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 48,774,501	$ 16.43
1983	43,600,696	14.63
1982	34,396,603	13.18
1981	32,789,622	12.43
1980	31,812,424	11.89

+ Adjusted to reflect stock dividend and stock splits

Income Account

Year ended Dec. 31	1984	1983
Net sales	$ 175,462,815	$ 155,044,526
Cost of sales	95,630,811	85,975,655
Expenses	62,013,838	53,647,533
Depreciation & amortization	2,328,769	2,146,903
Interest expense	4,581,543	3,710,256
Losses on accounts	1,760,639	2,172,365
Other income	(3,538,249)	(2,664,907)
Income before taxes	$ 12,685,464	$ 10,056,721
Income taxes	5,814,700	4,711,000
Net Income	$ 6,870,764	$ 5,345,721

Assets

As of Dec. 31	1984	1983
Cash	$ 3,519,955	$ 2,088,495
Accts. receiv., net	56,693,965	48,790,431
*Inventories	27,658,248	25,377,606
Pepaid expenses	778,950	1,040,251
Refundable inc. taxes	—	41,248
Current Assets	$ 88,651,118	$ 77,338,031
#Fixed assets	32,219,969	21,655,969
Leased under cap. leases	7,022,900	7,471,158
Other assets	2,229,773	2,013,842
Total Assets	$ 130,123,760	$ 108,479,000

Liabilities

Notes payable	$ 2,954,000	$ 3,612,200
Long-term debt, curr.	1,662,011	1,575,652
Cap. lease oblig., curr.	285,384	271,202
Accts. payable & accruals	12,951,344	12,046,786
Income taxes	10,854,509	8,804,583
Curr. Liabilities	$ 28,707,248	$ 26,310,423
Long-term debt	42,392,705	28,595,826
Cap. lease oblig.	8,518,184	8,803,568
Deferred inc. taxes	1,185,700	903,800
Other Liabilities	545,422	264,687
+ Common stock	3,000,502	2,989,059
Add. paid-in capital	5,886,002	5,843,759
Retained earnings	40,306,575	34,864,538
Treasury stock	(418,578)	(96,660)
Total Liabilities & Shareholders' Equity	$ 130,123,760	$ 108,479,000

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.23	6.49
%Net Income to Sales	3.92	3.45
%Net Income to Equity	14.09	12.26
Sales to Inventories	6.34	6.11
Working Capital	$60,843,870	$51,027,608
Current Ratio	3.19	2.94
Shareholders' Equity	$48,774,501	$43,600,696

Hechinger Company

3500 Pennsy Drive
Landover, Maryland 20785
(301) 341-1000

Officers: John W. Hechinger, president; Richard England, chairman of the board; Stephen E. Bachand, exec. v.p.; Philip J. Mansfield, exec. v.p.; Richard L. Ponton, v.p. & director of stores; Sally A. Courtney, v.p.-gen. merchandise mgr.; John W. Hechinger, Jr., v.p.-real estate & development; Joan S. England, v.p.-sales promotion; Catherine G. Sharp, v.p.-personnel; S. Ross Hechinger, v.p.-distribution; W. Clark McClelland, v.p.-finance & treasurer; Lennie H. Zaller, controller.

Directors: Richard England, chairman; John W. Hechinger, Philip J. Mansfield, Stephen E. Bachand, W. Clark McClelland, Richard L. Ponton, Sally A. Courtney, John W. Hchinger, Jr., Joan S. England, S. Ross Hechinger.

Business Activities: Operates home-center stores in Washington, D.C., Maryland, Virginia, Pennsylvania and North Carolina.

Transfer Agent(s):

First Union National Bank
Stock Transfer Dept. TRST-5
Charlotte, North Carolina 28288

Stock Exchange(s): Over the Counter

Ticker Symbol: HECH (NASDAQ)

Number of Stores: (at fiscal year end)

1985	47	1982	31
1984	41	1981	29
1983	34		

Sales and Earnings

	Net Sales	Net Income
1985	$ 405,077,000	$ 20,923,000
1984	309,498,773	16,242,955
1983	241,261,144	11,743,602
1982	210,619,072	8,585,552
1981	170,444,746	6,801,489

	No. of Com. Shares +	Earn. per Share +
1985	18,242,407	$ 1.15
1984	18,137,485	0.90
1983	17,370,699	0.68
1982	17,215,136	0.50
1981	15,427,885	0.44

+ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock splits.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1985	$0.26	—	—
1984	0.17	25%	—
1983	0.06	—	5-for-4 & 3-for-2
1982	0.05	—	—
1981	0.03	—	—

‡ Adjusted to reflect stock dividend and stock splits.

Common Stock Equity

	Total Equity	Equity Per Share +
1985	$ 121,014,000	$ 6.63
1984	100,508,458	5.54
1983	71,083,223	4.09
1982	59,437,673	3.45
1981	50,912,458	3.30

+ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock splits.

Income Account *

Year ended	2/2/85	1/28/84
Net sales	$ 405,077,000	$ 309,498,773
Other income	6,811,000	4,024,235
Total income	$ 411,888,000	$ 313,523,008
Cost of sales	283,171,000	210,141,139
Expenses	85,611,000	70,890,713
Interest expense	5,052,000	2,148,201
Income before taxes	$ 38,054,000	$ 30,342,955
Income taxes	17,131,000	14,100,000
Net Income	$ 20,923,000	$ 16,242,955

* Included in Costs & Expenses, Depreciation & Amortization: $4,622,000 in 1985 and $3,429,114 in 1984.

Assets

As of	2/2/85	1/28/84
Cash	$ 4,086,000	$ 3,625,783
Marketable securities	116,375,000	38,848,161
Accts. receiv., net	39,598,000	31,135,083
*Inventories	66,528,000	58,483,041
Prepaid expenses	8,922,000	5,513,196
Current Assets	$ 235,509,000	$ 137,605,264
#Fixed assets	46,641,000	33,563,469
Other assets	7,120,000	6,592,869
Total Assets	$ 289,270,000	$ 177,761,602

Liabilities

Cap. lease oblig., curr.	$ 311,000	$ 280,300
Accts. payable	22,369,000	19,351,243
Accruals	17,103,000	11,654,893
Accrued payroll	6,992,000	6,748,175
Income taxes	6,273,000	7,571,929
Curr. Liabilities	$ 53,048,000	$ 45,606,540
Cap. lease oblig.	17,940,000	18,251,000
Deferred inc. taxes	691,000	382,949
Deferred rent	5,062,000	2,997,655
Long-term debt	5,265,000	10,015,000
Subord. debentures	86,250,000	—
+ Class A common stock	720,000	604,177
+ Class B common stock	1,092,000	1,203,108
Add. paid-in capital	54,891,000	54,221,786
Retained earnings	64,311,000	44,479,387
Total Liabilities & Shareholders' Equity	$ 289,270,000	$ 177,761,602

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.39	9.80
%Net Income to Sales	5.17	5.25
%Net Income to Equity	17.29	16.16
Sales to Inventories	6.09	5.29
Working Capital	$182,461,000	$91,998,724
Current Ratio	4.44	3.02
Shareholders' Equity	$121,014,000	$100,508,458

Heck's, Inc.

Hub Industrial Park
McJunkin Road
P.O. Box 158
Nitro, West Virginia 25143
(304) 755-8331

Heck's, Inc.

Officers: Russell L. Isaacs, chairman of the board; Ray O. Darnall, president; J. Frederick Witschey, exec. v.p.-finance; Lewis D. Soulsby, Jr., v.p.-advertising; James V. Doss, sr. v.p.-administration & human resources; Richard D. Tucker, exec. v.p.-merchandise; Royce A. Chambers, sr. v.p.-information systems; Robert Griffiths, v.p.-distribution; Bruce D. Ropiecki, sr. v.p.-operations; F. Edward Flake, v.p.-training & human resources; Francis M. Minor, v.p.-construction & facilities; H.G. Shaffer, Jr., secretary; Robert A. Petryszak, treasurer; George W. Mitchell, III, comptroller; William K. Bragg, Jr., asst. secretary & counsel.

Directors: Russell L. Isaacs, chairman; Ray O. Darnall; H.G. Shaffer, Jr.; Gerald A. Eppner; Charles B. Gates, Jr.; Brenda H. Cole; Russell S. Wehrle; James C. Wheat, Jr.; Walter B. Dial, Jr.; Bernard H. Frank.

Business Activities: Operates discount department stores in a nine state contiguous marketing area engaged in retailing, clothing, home furnishings, hardware, auto accessories, housewares, toys, and sporting goods. Operates three wholesale distributors engaged in the distribution of automotive accessories and supplies, housewares, small appliances, hardware, sporting goods.

Subsidiaries:

Heck's Properties, Inc.
Nitro, West Virginia

Harris & Frank, Inc.
Steel City Products
Pittsburgh, Pennsylvania
Wholesale distributor of auto supplies and accessories

M & W Distributors, Inc.
Nitro, West Virginia
Wholesale distributing company of sporting goods, hardware, plumbing and electrical supplies.

Federal Wholesale Co.
Hubbard, Ohio
Wholesale distributing company of housewares, paper products, hardware, consumer electronic products, and cleaning supplies.

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): New York

Ticker Symbol: HEX

Number of Stores: (at fiscal year end)

1984	125	1981	290
1983	122	1980	251
1982	119		

Sales and Earnings

	Net Sales +	Net Income
1984	$ 464,734,000	$ (7,782,000)
1983	435,056,000	9,554,000
1982	399,283,000	11,144,000
1981	321,310,000	13,362,000
1980	292,974,000	15,469,000

	No. of Com. Shares #	Earn. per Share #
1984	9,002,897	$ —
1983	9,318,522	1.03
1982	9,797,419	1.14
1981	9,788,534	1.37
1980	9,769,440	1.58

+ Of continuing operations only
# Based on the weighted average number of common shares adjusted to reflect stock split

Revenues By Line of Business
(000's)

	1984	1983
Discount dept. & shoe stores	$ 409,894	$ 387,303
Wholesale distributors	58,144	51,535
Other industries	3,276	3,205
Total	$ 471,314	$ 442,043

Common Stock

	Cash Dividend #	Stock Dividend	Stock Split
1984	$0.28	—	—
1983	0.27	—	—
1982	0.24	—	—
1981	0.23	—	3-for-2
1980	0.20	—	—

Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 98,026,000	$ 11.06
1983	113,392,000	12.26
1982	113,559,000	11.58
1981	104,341,000	10.71
1980	93,144,000	9.57

Adjusted to reflect stock split

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 464,734	$ 435,056
Other income	6,580	6,987
Total income	$ 471,314	$ 442,043
Cost of sales	378,254	327,713
Expenses	97,297	87,758
Interest expense	12,543	9,075
Inc. (loss) bef. taxes	$ (16,780)	$ 17,497
Income taxes (credit)	(8,998)	7,943
Net Income (Loss)	$ (7,782)	$ 9,554

* Included in Costs and Expenses, Depreciation and Amortization: $7,332,000 in 1984 and $6,424,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash & equivalents	$ 7,776	$ 10,747
Marketable securities	—	5,024
Note receivable	27,556	—
Accts. receiv., net	9,349	8,067
*Inventories	125,621	107,922
Refund, inc. taxes	11,156	—
Other assets	4,353	3,338
Current Assets	$ 185,811	$ 135,098
Investments	2,953	31,555
#Fixed assets	67,333	55,018
Assets under cap. leases	19,089	20,631
Other assets	9,736	9,335
Total Assets	$ 284,922	$ 251,637

Liabilities
(000's)

	1984	1983
Notes payable	$ 37,600	$ —
Long-term debt, curr.	4,413	4,302
Cap. lease oblig. curr.	1,344	1,367
Accts. payable	44,721	43,183
Income taxes	996	1,347
Accrued comp.	3,052	2,727
Accrued taxes	4,477	4,158
Other liabilities	1,108	2,009
Curr. Liabilities	$ 97,711	$ 59,093
Long-term debt	62,656	51,256
Cap. lease oblig.	24,824	25,917
Deferred inc. taxes	1,542	1,979
Other oblig.	163	—
+ Common stock	926	925
Add. paid-in capital	19,372	19,287
Retained earnings	82,883	93,180
Treasury stock	(5,155)	—
Total Liabilities & Shareholders' Equity	$ 284,922	$ 251,637

* At lower of cost or market
# Less accumulated depreciation and amortization
+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Sales	—	4.02
%Net Income to Sales	—	2.20
%Net Income to Equity	—	8.43
Sales to Inventories	3.70	4.03
Working Capital	$88,100,000	$76,005,000
Current Ratio	1.90	2.29
Shareholders' Equity	$98,026,000	$113,392,000

Heilig-Meyers Company

3228 West Cary Street
Richmond, Virginia 23221
(804) 359-9171

Officers: William C. DeRusha, president & chief executive officer; Troy A. Peery, Jr., exec. v.p. & secretary; Lloyd C. King, R.G. Laughter, James M. Glover, sr. v.p.'s; Charles H. Krumbein, James M. Glover, Ronald M. Ragland, Troy Bridges, Dee W. Vinson, Douglas M. Adams, Ed Heims, v.p.'s; John H. Sniffin, treasurer & asst. secretary; William J. Dieter, v.p. & controller; Ronald Grady, J. Henry Perry, S. Stanley Prince, asst. v.p.'s.

Directors: H. Meyers, S. Sidney Meyers, Nathaniel Krumbein, Robert L. Burrus, Jr., Alexander Alexander, Lawrence N. Smith, William DeRusha, Alan G. Fleischer, George A. Thornton, III, Troy A. Peery, Jr., Benjamin F. Edwards III.

Business Activities: Operates a chain of retail home furnishings stores in Virginia, North Carolina, South Carolina, West Virginia, Georgia, Alabama, Mississippi and Tennessee.

Subsidiaries:

Heilig-Meyers of Virginia
3228 West Cary Street
Richmond, Virginia 23221
(804) 359-9171

Transfer Agent(s):

United Virginia Bank
900 East Main Street
Richmond, Virginia 23214

Stock Exchange(s): New York

Ticker Symbol: HMY

Number of Stores: (at fiscal year end)

1985	127	1982	81
1984	101	1981	78
1983	83		

Sales and Earnings

	Net Sales	Net Income
1985	$ 140,933,000	$ 11,749,000
1984	113,999,000	9,955,000
1983	96,419,000	6,807,000
1982	90,015,000	5,671,000
1981	76,608,000	4,987,000

	No. of Com. Shares ‡	Earn. per Share ‡
1985	6,262,000	$ 1.88
1984	6,228,000	1.60
1983	5,405,000	1.26
1982	5,328,000	1.06
1981	5,328,000	0.94

‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock dividends and stock split.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1985	$0.36	—	—
1984	0.32	—	3-for-2
1983	0.31	—	—
1982	0.23	10%	—
1981	0.20	10%	—

‡ Adjusted to reflect stock dividends and stock split.

Common Stock Equity

		Total Equity	Equity Per Share ‡
1985	$	79,303,000	$ 12.66
1984		68,970,000	11.07
1983		61,011,000	11.29
1982		43,332,000	8.13
1981		38,891,000	7.30

‡ Adjusted to reflect stock dividends and stock split

Income Account *

Year ended March 31		1985		1984
Net sales	$	140,933	$	113,999
Other income		27,006		20,780
Total income	$	167,939	$	134,779
Cost of sales		87,338		69,111
Expenses		44,529		36,443
Prov. for doubtful accts.		6,847		3,695
Prof. sh. plan		937		815
Interest expense		6,092		5,387
Income before taxes	$	22,196	$	19,328
Income taxes		10,447		9,373
Net Income	$	11,749	$	9,955

* Included in Costs and Expenses, Depreciation and Amortization: $3,260,000 in 1985 and $2,501,000 in 1984

Assets
(000's)

As of March 31		1985		1984
Cash	$	5,550	$	3,945
Accts. receiv., net		118,248		90,981
Other receiv.		3,117		2,067
*Inventories		44,079		35,414
Prepaid expenses		3,636		2,124
Current Assets	$	174,630	$	134,531
#Fixed assets		33,555		24,541
Other assets		1,326		144
Total Assets	$	209,511	$	159,216

Liabilities
(000's)

Notes payable	$	42,000	$	17,800
Long-term debt, curr.		2,387		2,107
Accts. payable		5,088		5,913
Accruals		11,849		9,964
Deferred income taxes		26,899		21,375
Curr. Liabilities	$	88,223	$	57,159
Long-term debt		39,683		31,959
Deferred comp.		1,116		1,128
Deffered inc. taxes		1,186		—
+ Common stock		12,556		12,457
Add. paid-in capital		19,657		18,916
Retained earnings		47,090		37,597
Total Liabilities & Shareholders' Equity	$	209,511	$	159,216

* At lower of cost or market, by the retail method
# Less accumulated depreciation and amortization
+ $2 par value

Statistical Summary

%Income bef. Taxes to Total Income	13.22	14.34
%Net Income to Total Income	7.00	7.39
%Net Income to Equity	14.82	14.43
Sales to Inventories	3.81	3.22
Working Capital	$86,407,000	$77,372,000
Current Ratio	1.98	2.35
Shareholders' Equity	$79,303,000	$68,970,000

Hill Bros., Inc.

3575 Northwest 60th Street
Miami, Florida 33142
(305) 638-1011

Officers: E.H. Hill, Jr., chairman of the board, president & chief executive officer; Michael E. Curry, exec. v.p., chief operating officer & chief financial officer; John A. Osborne, v.p.-real estate; Katie Mudd, secretary.

Directors: E.H. Hill, Jr., chairman; Michael E. Curry, Katie Mudd.

Divisions:

Retail Liquor Division

Shell's City Liquors operates 47 retail package liquor stores and 15 cocktail lounges in Southeast Florida.

Transfer Agent(s):

Registrar & Transfer Co.
Jersey City, New Jersey

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1984	47	1981	56
1983	57	1980	57
1982	58		

Sales and Earnings

		Net Sales +		Net Income‡
1984	$	38,258,026	$	216,740
1983		43,765,965		(517,001)
1982		46,417,331		324,370
1981		44,523,604		(253,637)
1980*		39,451,921		206,679

	No. of Com. Shares †	Earn. per Share‡
1984	3,419,160	$ 0.06
1983	3,419,963	—
1982	3,420,615	0.09
1981	3,441,748	—
1980*	3,510,000	0.06

(Loss)
* 53 weeks
+ Of continuing operations only
‡ Including extraordinary gain of $291,300 ($0.08 per share) in 1984 and extraordinary loss of $523,044 in 1983.
† Based on the weighted average number of common shares and common share equivalents outstanding

Common Stock Equity

		Total Equity	Equity Per Share ‡
1984	$	8,538,851	$ 2.50
1983		8,322,111	2.43
1982		8,840,022	2.58
1981		8,515,652	2.47
1980		8,857,374	2.52

‡ Based on the weighted average number of common shares and common share equivalents outstanding

Income Account *

Year ended		4/28/84		4/30/83
Net sales	$	38,258,026	$	43,394,848
Cost of sales		28,137,051		31,307,680
Other revenue		(770,246)		(952,977)
Expenses		10,616,927		12,505,991
Interest expense		345,954		525,211
Income (loss) before taxes	$	(71,660)	$	8,943
Income taxes		2,900		2,900
Net Income (Loss)	$	(74,560)	$	6,043
Extraordinary items		291,300		(523,044)
Net Income (Loss) & extraordinary items	$	216,740	$	(517,001)

* Included in Costs and Expenses, Depreciation and Amortization: $678,243 in 1984 and $887,914 in 1983.

Assets

As of		4/28/84		4/30/83
Cash	$	917,333	$	975,178
Receiv., net		341,085		180,498
*Inventories		4,016,455		4,108,925
Refund inc. taxes		12,776		3,173
Prepaid expenses & other assets		121,419		233,203
Current Assets	$	5,409,068	$	5,500,977
#Fixed assets		3,395,295		4,003,292
Other assets		2,979,852		2,718,851
Total Assets	$	11,784,215	$	12,223,120

Liabilities

Notes payable-bank	$	705,000	$	945,000
Notes payable-corp. dir.		205,400		214,300
Notes payable-unsecured		200,000		200,000
Long-term debt, curr.		71,561		166,192
Accts. payable		601,754		782,462
Accruals		944,467		1,005,295
Current Liabilities	$	2,728,182	$	3,313,249
Long-term debt		515,482		587,760
Other def. items		1,700		—
+ Common stock		170,959		170,959
Add. paid-in capital		4,514,793		4,514,793
Retained earnings		3,853,099		3,636,359
Total Liabilities & Shareholders' Equity	$	11,784,215	$	12,223,120

* At lower of cost (FIFO) or market. Retail store inventories at lower of cost or market determined by the retail method.
# Less accumulated depreciation
+ $0.05 par value

Statistical Summary

%Income bef. Taxes to Sales	—	0.02
%Net Income to Sales	—	0.01
%Net Income to Equity	—	0.07
Sales to Inventories	9.53	10.56
Working Capital	$2,680,886	$2,187,728
Current Ratio	1.98	1.66
Shareholders' Equity	$8,538,851	$8,322,111

D.H. Holmes Company, Limited

819 Canal Street
New Orleans, Louisiana 70112
(504) 561-6611

Officers: Hugh McC. Evans, chairman of the board; T. Robert Fiddler, president & chief exec. officer; Robert L. Karem, executive v.p. & chief admin. officer; James E. Ammon, sr. v.p.-finance; Donald W. Johnston, sr. v.p.-merchandise & publicity; Louis R. Roussel, sr. v.p.-physical properties & merchandise presentation; Robert G. Morgan, sr. v.p.-personnel & operations; George W. Dodge, secretary; Paul R. Falter, v.p., controller & treasurer; E. Stewart Maunsell II, v.p. & asst. secretary; Charles Ennis, M. Elizabeth Tahir, Ann Lynne Strug, R. Stephen Wall, v.p.'s & gen. mdse. mgrs.; Kenneth J. DeZwaan, John N. Kuehler, Raymond E. Weidenbacher, v.p.'s & sr. store mgrs.; Jay F. Hebert, v.p.-public affairs; Norris S.L. Williams, asst. secretary; Gerard M. Hoffman, v.p.-operations.

Directors: George W. Dodge, Hugh McC. Evans, E. Stewart Maunsell II, T. Robert Fiddler, George G. Westfeldt, Jr., Albert Flettrich, Frank E. Schmidt, Donald J. Nalty, Norris S.L. Williams, Robert L. Karem, James E. Ammon, Sidney W. Lassen.

Business Activities: Operates 15 department stores in Alabama, Louisiana, and Mississippi. Also operates 8 separate shoe stores, two clearance centers and 11 car care centers under a lease/management agreement with B.F. Goodrich.

Subsidiaries:

D.H. Holmes Realty, Inc.
D.H. Holmes Credit Corporation (unconsolidated)
D.H. Holmes B.R., Inc.

D.H. Holmes Company, Limited

Transfer Agent(s):

D.H. Holmes Company, Limited
New Orleans, Louisiana

Stock Exchange(s): Over the Counter

Ticker Symbol: HLME (NASDAQ)

Number of Stores*: (at fiscal year end)

1985	15	1982	13
1984	14	1981	13
1983	14		

* Department stores only

Sales and Earnings

	Net Sales ‡	Net Income
1985	$ 271,681,000	$ 7,523,000
1984	253,844,000	8,458,000
1983	240,716,000	6,967,000
1982	220,997,000	4,620,000
1981	197,320,000	4,953,000

	No. of Com. Shares +	Earn. per Share #
1985	3,383,044	$ 2.23
1984	3,364,306	2.88
1983	2,758,838	2.53
1982	2,758,078	1.72
1981	2,559,096	1.90

‡ Including leased departments
+ Adjusted to reflect stock split
# Based on the average number of shares outstanding adjusted to reflect stock split

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1985	$1.00		
1984	0.98		2-for-1
1983	0.89		
1982	0.85		
1981	0.80		

† Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 69,370,000	$ 20.51
1984	64,855,000	19.28
1983	48,703,000	17.69
1982	44,182,000	16.02
1981	40,167,000	15.70

‡ Adjusted to reflect stock split

Income Account

Year ended	2/2/85	1/28/84
Net sales	$ 271,681,000	$ 253,844,000
Cost of sales	185,259,000	171,122,000
Expenses	53,063,000	48,174,000
Depreciation & amortization	6,063,000	5,590,000
Prov. for doubtful accts	1,835,000	2,410,000
Rents	6,543,000	5,519,000
Repair & maintenance	3,035,000	2,863,000
Interest expense	7,265,000	7,076,000
Pension plan costs	1,005,000	1,379,000
Gain on sale of prop	(2,336,000)	(3,538,000)
Income before taxes	$ 9,909,000	$ 13,249,000
Income taxes	2,386,000	4,791,000
Net Income	$ 7,523,000	$ 8,458,000

Assets

As of	2/2/85	1/28/84
Cash	$ 4,689,000	$ 6,975,000
Accts. receiv., net	20,892,000	26,394,000
*Inventories	42,330,000	33,480,000
Other current assets	1,871,000	2,046,000
Current Assets	$ 69,782,000	$ 68,895,000
Investments	7,628,000	6,840,000
#Fixed assets	82,162,000	63,072,000
Other assets	1,300,000	1,167,000
Total Assets	$ 160,872,000	$ 139,974,000

Liabilities

Notes payable	$ 4,342,000	$ —
Long-term debt, curr.	1,677,000	1,631,000
Accts. payable	19,615,000	15,610,000
Accruals	5,351,000	5,742,000
Income taxes	11,044,000	10,126,000
Curr. Liabilities	$ 42,029,000	$ 33,109,000
Long-term debt	37,950,000	34,061,000
Deferred inc. taxes	6,020,000	4,829,000
Deferred credit	5,503,000	3,120,000
+Common stock	8,660,000	8,613,000
Add. paid-in capital	18,917,000	18,602,000
Retained earnings	42,805,000	38,652,000
Treasury stock	(1,012,000)	(1,012,000)
Total Liabilities & Shareholders' Equity	$ 160,872,000	$ 139,974,000

* At LIFO cost
# Less accumulated depreciation and amortization
+ $5 par value

Statistical Summary

%Income bef. Taxes to Sales	3.65	5.22
%Net Income to Sales	2.77	3.33
%Net Income to Equity	10.84	13.04
Sales to Inventories	6.42	7.58
Working Capital	$27,753,000	$35,786,000
Current Ratio	1.66	2.08
Shareholders' Equity	$69,370,000	$64,855,000

The Horn & Hardart Company

395 Convention Center Drive
Las Vegas, Nevada 89109
(702) 389-9500

Officers: Barry W. Florescue, chairman of the board & chief exec. officer; John T. Gerlach, president & chief operating officer; Robert F. Byrnes, sr. exec. v.p. & secretary; Franklin I. Levy, exec. v.p.-real estate; Munir Saloum, exec. v.p., chief financial officer & treasurer; Michael P. Sherman, v.p.-legal counsel; Wayne P. Garten, v.p.-controller

Directors: Barry W. Florescue, chairman of the board; Donald Schupak, Robert F. Byrnes, William J. Curtis, John T. Gerlach, Jack E. Rosenfeld, S. Lee Kling, C. Anthony Wainwright

Business Activities: Primarily engaged in operations in two industries: food service and mail order marketing. The food service business consists of the operation of fast food, cafeteria and service restaurants and institutional food service contracts, principally in New York and the Southeast. The mail order business, located in Pennsylvania, specializes in the sale of novelty products, unique items and specialty merchandise, women's fashions, and gardening and nursery products through catalogs and magazine and newspaper advertising.

Divisions and Subsidiaries:

Hanover House Industries
Mail Order Division
340 Poplar Street
Hanover, Pennsylvania 17331

Leavitt Advertising Agency, Inc.
225 West 34th Street
New York, New York 10001

Royal Center, Inc.
395 Convention Center Drive
Las Vegas, Nevada 89109

Food Service Division
1163 Avenue of Americas
New York, New York 10036
Burger Kings, Arby's, Kitty Hawks, Davids Cookies and other retail food outlets

Bojangles of America
3440A St. Vardell Lane
Charlotte, North Carolina 28210

Biskits, Inc.
Chain of 41 chicken restaurants

Acquisition(s):

Royal Americana Hotel and Casino
Las Vegas, Nevada
Formerly the Royal Inn Hotel, Mansion Manor and the Royal Riviera

Transfer Agent(s):

Manufacturers Hanover Trust
450 West 33rd Street
New York, New York 10001

Stock Exchange(s): American

Ticker Symbol: HOR

Sales and Earnings

	Net Sales	Net Income #
1984	$ 363,826,000	$ 9,521,000
1983*	345,313,000	13,455,000
1982	237,541,000	6,603,000
1981	166,144,000	5,229,000
1980	128,217,000	4,470,000

	No. of Com. Shares +	Earn. per Share # +
1984	12,708,149	$ 0.71
1983*	12,180,493	1.09
1982	8,478,322	0.69
1981	7,867,687	0.68
1980	8,173,417	0.55

* 53 weeks
# Including extraordinary gains of $750,000 ($0.11 per share) in 1981 and $508,000 ($0.07 per share) in 1980
+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits and stock dividends

Revenues By Line of Business

	1984	1983
Food service	$ 135,957,000	$ 122,215,000
Mail order	225,497,000	222,046,000
Total	$ 361,454,000	$ 339,715,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	5%	—
1983	—	5%	3-for-2
1982	—	10%	—
1981	—	10%	—
1980	—	—	2-for-1*

* Distributed February 15, 1980

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 105,464,000	$ 8.30
1983	96,585,000	7.93
1982	34,282,000	4.04
1981	28,963,000	3.68
1980	20,397,000	2.50

† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock splits

Income Account *
(000's)

Year ended		12/29/84		12/31/83
Revenues	$	363,826	$	345,313
Cost of sales & oper. exp.		313,109		279,003
Expenses		33,934		42,061
Interest expense		2,462		2,191
Income before taxes	$	14,321	$	22,058
Income taxes		4,800		8,603
Net Income	$	9,521	$	13,455

* Included in Costs and Expenses, Depreciation and Amortization: $9,314,000 in 1984 and $7,702,000 in 1983.

Assets

As of		12/29/84		12/31/83
Cash	$	15,223	$	10,423
Market. secur.		3,285		—
Accts. & notes receiv., net		31,080		16,719
*Inventories		23,705		20,479
Other curr. assets		15,925		17,820
Current Assets	$	89,218	$	65,441
Market. secur.		31,576		12,603
Notes receiv.		32,473		23,315
#Fixed assets		98,709		80,449
Defer. charges & other assets		16,345		9,121
Intangibles		15,249		12,606
Total Assets	$	283,570	$	203,535

Liabilities
(000's)

		12/29/84		12/31/83
Notes payable	$	5,000	$	—
Long-term debt, curr.		5,740		5,037
Accts. payable		39,710		38,511
Accruals		15,996		13,388
Curr. Liabilities	$	66,446	$	56,936
Long-term debt		90,755		31,420
Obligations under capital leases		6,570		5,859
Other liabilities		7,301		5,968
Redeemable preferred stock		7,034		6,767
+ Common stock		8,255		7,808
Add. paid-in capital		95,609		87,698
Retained earnings		3,655		2,807
Treasury stock		(927)		(169)
Notes receivable		(832)		(1,038)
Unreal. loss on investment		(296)		(521)
Total Liabilities & Shareholders' Equity	$	283,570	$	203,535

* At lower of cost (FIFO for merchandise, average cost for food and beverage) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	12/29/84	12/31/83
%Income bef. Taxes to Sales	3.94	6.39
%Net Income to Sales	2.62	3.90
%Net Income to Equity	9.03	13.93
Sales to Inventories	15.35	16.59
Working Capital	$ 22,772,000	$ 8,505,000
Current Ratio	1.34	1.15
Shareholders' Equity	$105,464,000	$96,585,000

House of Fabrics, Inc.

13400 Riverside Drive
Sherman Oaks, California 91423
(818) 995-7000

Officers: David I. Sofro, chairman of the board & chief executive officer; Charles Sofro, vice chairman; Barney Sofro, president & chief operating officer; Gary L. Larkins, exec. v.p.; Donald R. Ardemagni, sr. v.p.-fabric buying; Edward L. Chow, v.p.-data processing; James C. Compton, v.p. & gen. mgr.; Larry R. Eames, v.p.-fabrics; Gary Harris, v.p.-advertising; Edwin F. Johnson, v.p.-construction; Marvin S. Maltzman, v.p., secretary & general counsel; James A. Nathan, v.p.; William C. Raines, sr. v.p.-crafts buying; Bill Smith, v.p.-warehousing & distribution; William James Heaton, v.p.-finance & administration, and chief financial officer; Jay Bowen, v.p.-notions buying; Gary A. Branch, v.p.-sewing machine operations; James C. Webb, v.p.-real estate; Russell M. Meppen, controller; Aurora Stewart, treasurer & asst. secretary.

Directors: David I. Sofro*, chairman; E. Ben Mitchell; Barney Sofro*; Charles Sofro*; Gary L. Larkins*; James A. Nathan; James J. McMorrow; Myron M. Kaplan.

* Member of the Executive Committee

Business Activities: Sells fabrics, needlecrafts, sewing machines and notions through retail stores in 47 states. The name "House of Fabrics" is used for stores located west of the Rocky Mountains; the name "So-Fro Fabrics" is used for stores east of the Rocky Mountains. The company also operates 49 "craft showcase" stores throughout the country.

Transfer Agent(s):

Bank of America National Trust & Savings Association
55 Hawthorne St.
San Francisco, California 94105

Stock Exchange(s): New York, Pacific

Ticker Symbol: HF

Number of Stores: (at fiscal year end)

1985	760	1982	564
1984	684	1981	552
1983	622		

Sales and Earnings

	Net Sales	Net Income
1985	$ 278,256,000	$ 11,332,000
1984	239,625,000	9,678,000
1983	230,641,000	11,298,000
1982	180,155,000	7,865,000
1981	158,774,000	3,704,000

	No. of Com. Shares ‡	Earn. per Share ‡
1985	6,492,177	$ 1.71
1984	6,442,427	1.46
1983	6,388,927	1.73
1982	6,107,728	1.28
1981	6,149,415	0.56

‡ Based on the weighted average number of shares outstanding, adjusted to reflect stock split.

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1985	$0.40		
1984	0.40		
1983	0.32		5 for 4
1982	0.18		
1981	0.16		

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1985	$ 80,720,000	$ 12.43
1984	71,644,000	11.12
1983	63,940,000	10.01
1982	53,109,000	8.71
1981	46,752,000	7.60

† Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Jan. 31		1985		1984
Net sales	$	278,256	$	239,625
Cost of sales		133,726		115,437
Expenses		121,444		105,119
Interest expense		1,281		777
Income before taxes	$	21,805	$	18,292
Income taxes		10,473		8,614
Net Income	$	11,332	$	9,678

* Included in Costs and Expenses, Depreciation and Amortization: $4,702,000 in 1985 and $4,064,000 in 1984.

Assets
(000's)

As of Jan. 31		1985		1984
Cash	$	662	$	1,973
Receiv., net		2,463		3,880
*Inventories		89,185		79,510
Prepaid expenses		1,319		1,241
Current Assets	$	93,629	$	86,604
#Fixed assets		31,677		28,727
Other assets		561		1,802
Total Assets	$	125,867	$	117,133

Liabilities
(000's)

		1985		1984
Long-term debt, curr.	$	260	$	255
Accts. payable		25,858		34,615
Notes payable		3,000		—
Accruals		8,673		6,863
Income taxes		3,538		300
Curr. Liabilities	$	41,329	$	42,033
Def. inc. taxes		1,518,000		896,000
Long-term debt		2,300		2,560
+ Common stock		649		644
Add. paid-in capital		14,016		13,686
Retained earnings		66,055		57,314
Total Liabilities & Shareholders' Equity	$	125,867	$	117,133

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1985	1984
%Income bef. Taxes to Sales	7.84	7.63
%Net Income to Sales	4.07	4.04
%Net Income to Equity	14.04	13.51
Sales to Inventories	3.12	3.01
Working Capital	$52,300,000	$44,571,000
Current Ratio	2.27	2.06
Shareholders' Equity	$80,720,000	$71,644,000

Household International

(formerly Household Finance Corporation)

2700 Sanders Road
Prospect Heights, Illinois 60070
(312) 564-5000

Officers: Donald C. Clark, chairman, president & chief executive officer; Joseph W. James, executive vice president; J. Richard Hell, sr. v.p. & general counsel; James E. McCormick, sr.

Household International

v.p.-gov't & public affairs; Rod F. Dammeyer, sr. v.p. & chief financial officer; Gaylen N. Larson, group v.p. & controller; James D. Pinkerton, sr. v.p.-administration & secretary; Theodore K. Thornton, v.p. & treasurer.

Directors: Donald C. Clark*, Joseph W. James, T.D. Flynn, M.P. Kartalia*, G.P. Osler, John A. Moran*, William D. Hendry, A. E. Rasmussen*, G.W. Rauch*, M. Upton, J.C. Whitehead*, J.M. Tait, Mary J. Evans, Bernard F. Brennan, Gary G. Dillon, Raymond C. Tower.

* Member of Executive Committee

Business Activities: The Company is involved in four separate areas:

Retail: Merchandising business consists of supermarkets, general merchandise stores, variety hardgoods and furnishing stores.

Finance: Finance services include consumer loans, commercial loans, consumer purchases financing, commercial leasing, industrial banks, credit insurance, consumer finance and banking, savings and loans, and consumer education.

Manufacturing: Products include vacuum ware, jugs and ice chests, plastic insulated tableware, snack jars, lunch kits, all weather emergency and sportsman's blankets, barbecue grills, automatic ice machines, metal finishing machines and medias, drinking fountains and water coolers, industrial casters and wheels, special urethane products, appliance controls, custom vacuum metallized films, soft and hardboard automobile products, audio and electronics parts, custom gears, plumbing fixtures, cutting tools, turbo charges, gears, chimneys, wood stoves, and fans.

Transportation: Operates National Car Rental System, Inc., which rents and leases cars and trucks. Also rents and leases portable dredging machines, and is involved in specialized air cargo containerization.

Retail Divisions & Subsidiaries:

Household Merchandising Inc.
1700 S. Wolf Road
Des Plaines, Illinois 60018
(312) 296-8800

Operates a number of merchandising stores coast to coast.

Ben Franklin Stores

Variety chain: over 1,600 independently owned stores operating in all 50 states. Also operates Dependon Rx drug stores.

T.G.& Y.

Operates 743 owned variety stores in the South, Southwest and Midwest.

Von's Grocery Co.

Operates over 170 Von's supermarkets in the southern California and Nevada.

Coast to Coast Stores

Operates over 1,000 franchised hard goods stores in 32 states in the Midwest, West and Northwest.

Household Manufacturing, Inc.
2700 Sanders Road
Prospect Heights, Illinois

A diversified manufacturer of engine components, tools, electronics, gears, plumbing products, and heating and ventilation systems.

Transfer Agent(s):

Harris Trust and Savings Bank
Stock Transfer Division
111 W. Monroe Street
Chicago, Illinois 60606

Stock Exchange(s): New York, Midwest, Philadelphia*, Boston*, Pacific*

* Unlisted trading privileges.

Ticker Symbol: HI

Number of Stores: (at fiscal year end)

	Franchised	Owned
1984	2,708	919
1983	2,785	975
1982	2,829	1,075
1981	2,824	1,100
1980	3,447	1,078

Sales and Earnings

	Net Sales & Revenues	Net Income
1984	$8,321,500,000	$ 234,100,000
1983	7,911,900,000	206,400,000
1982	7,767,500,000	125,400,000
1981	7,280,000,000	142,200,000
1980	6,190,600,000	146,300,000

	No. of Com. Shares	Earn. per Share #
1984	50,209,697	$ 4.18
1983	49,137,433	3.68
1982	47,893,812	2.06
1981	46,993,278	2.66
1980	46,590,907	3.00

# Based on the average number of common shares and common share equivalents outstanding during each year.

Revenues By Line of Business
(000's)

	1984	1983
Financial Services:		
Consumer	$ 952,100	$ 881,800
Commercial	91,500	84,100
Ordinary life insur.	281,800	195,200
Merchandising:		
General retail	2,205,400	2,197,900
Supermarkets	2,489,900	2,433,700
Wholesale	704,700	674,100
Manufacturing	897,900	807,600
Transportation:		
Rental & leasing	698,200	558,000
Air travel	—	79,500
Total	$ 8,321,500	$ 7,911,900

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.725	—	
1983	1.675	—	
1982	1.650		
1981	1.625		
1980	1.575		

Common Stock Equity

	Total Equity †	Equity Per Share
1984	$1,467,561,800	$ 29.23
1983	1,344,837,650	27.41
1982	1,223,137,300	25.67
1981	1,202,746,750	26.00
1980	1,152,290,000	25.24

† After allowing for preferred stock at redemption value of $50 per share.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales & revenues:		
Financial services	$ 1,325,400	$ 1,161,100
Merchandising	5,400,000	5,305,700
Manufacturing	897,900	807,600
Transportation	698,200	637,500
Total Income	$ 8,321,500	$ 7,911,900
Fin. serv. oper. exp.	575,300	458,100
Cost of merch. sales	4,342,400	4,274,400
Cost of mfrd. prods. sold	661,800	594,700
Trans. oper. & maint. costs	494,200	459,300
Selling & adm. exp.	1,300,600	1,259,500
Interest expense	564,600	492,000
Income before taxes	$ 382,600	$ 368,900
Income taxes	148,500	162,500
Net Income	$ 234,100	$ 206,400

* Included in Costs and Expenses, Depreciation and Amortization: $269,600,000 in 1984 and $231,700,000 in 1983.

Assets
(000's)

As at Dec. 31	1984	1983
Cash	$ 49,000	$ 50,700
Marketable securities	872,000	647,900
Finance recvs.	5,344,600	4,541,600
Trade recvs.	323,900	346,100
*Inventories	1,006,800	873,900
Revenue-earn. vehicles	909,400	608,100
Prop. & equip.	887,500	880,000
Excess of costs over assets in acq. bus.	242,200	202,500
Other assets	405,600	295,200
Total Assets	$ 10,041,000	$ 8,446,000

Liabilities
(000's)

	1984	1983
Commercial paper and other borrowings	$ 1,286,500	$ 1,070,300
Cust. banking deposits	841,500	419,300
Accts. payable & accruals	1,332,100	1,172,200
Insur. policy & claim reserves	539,100	322,900
Deferred inc. taxes	332,200	248,800
Cap. lease oblig.	144,300	167,600
Senior debt	1,865,900	1,442,600
Redeem convert. pref. stock	172,700	172,700
+ Convert. preferred stock	6,100	8,500
+ + Common stock	50,200	49,100
Add. paid-in capital	202,600	196,600
For. curr. trans. adjust.	(118,600)	(67,800)
Retained earnings	1,386,400	1,263,200
Total Liabilities & Shareholders' Equity	$ 10,041,000	$ 8,446,000

* At lower of cost (LIFO) or market, foreign inventories stated at FIFO.
# Less accumulated depreciation and amortization.
+ No par value.
+ + $1 par value.

Statistical Summary

% Income bef. Taxes to Sales & Revenues	4.60	4.66
% Net Income to Sales & Revenues	2.81	2.61
% Net Income to Equity	15.33	14.44
Shareholders' Equity	$1,526,700,000	$1,425,600,000

Hudson's Bay Company

Hudson's Bay House
77 Main Street
Winnipeg, Manitoba R3C2R1, Canada
(204) 943-0881

Officers: Donald S. McGiverin, governor & president; William H. Evans, v.p. intercorp. services; Brian C. Grose, v.p. & controller; A. Rolph Huband, v.p. & secretary; Peter F.S. Nobbs, v.p. & treasurer; George J. Kosich, T. Iain Ronald, exec. v.p.'s; Stuart W. Fraser, v.p. planning; Douglas W. Mahaffy, sr. v.p. finance & administration.

Directors: C.W. Evans, Donald O. Wood, I.A. Barclay, M. Belanger, Dawn R. McKeag, G.C. Hoyer Millar, A.J. MacIntosh*, D.S. McGiverin*, M.W. Jacomb*, Kenneth R. Thomson, John A. Tory*, J.W. Bird, W. Michael Brown, Graham R. Dawson, Pierre Laurin, Peter W. Mills, J. Michael G. Scott.

* Member of the Executive Committee.

Business Activities: Operates department stores in major Canadian cities; fur trading auction houses in London, Toronto and New York; wholesale distributor of blankets, spirits, tobacco, giftwear and confectionery products. Also, has real estate and natural resource interests. Stores operate under the names The Bay, Zellers, Fields and Simpsons.

Principal Subsidiaries:

Hudson's Bay Company Acceptance Limited

Purchases accounts receivable.

Hudson's Bay Company Real Estate Limited
  Property owning company

Hudson's Bay Company Properties Limited
  Property owning company

Markborough Properties Limited
  Property development company

Markland Properties, Inc.
  Property development company

Simpsons Limited
  Operates department stores

Simpsons Acceptance Company Limited
  Purchases accounts receivable

Zellers Inc.
  Operates department stores

Fields Stores Limited
  Operates family clothing stores

Marshall Wells Limited
  Distributes hardware

Hudson's Bay Company Fur Sales Inc.
  Fur brokers

Hudson's Bay Company Fur Sales
 Canada Limited
  Fur brokers

Hudson's Bay and Annings Limited
  Fur brokers

Roxy Petroleum Ltd. (52.6% owned)
  Petroleum company

HBC Travel Limited
  Travel services company

Principal Equity Investments:

Eaton Bay Financial Services Limited
 (39% owned)
  Markets financial services

Acquisitions:

Computer Innovations Corporation (36% owned)
  Retailer of microcomputers, software and accessories

Transfer Agent(s):

The Royal Trust Company
Calgary, Montreal, Toronto, Vancouver & Winnipeg

William & Glyn's Registrars Limited
London, England

Stock Exchange(s): Montreal, Toronto, London and Winnipeg

Ticker Symbol: HBC

Number of Stores: (at fiscal year end)

1984	586	1981	630
1983	570	1980	600
1982	560		

Sales and Earnings

	Sales & Revenues (000's)	Net Income + (000's)
1984	$ 4,829,325	$ (107,434)
1983	4,370,528	64,900
1982	4,138,671	(127,600)
1981	4,172,442	386,168
1980	3,813,806	73,361

	No. of Com. Shares	Earn. per Share ‡ +
1984	23,767,166	$ —
1983	23,728,311	1.86
1982	23,870,052	—
1981	23,777,181	15.78
1980	23,712,529	2.59

(Loss)
+ Including extraordinary gains of $82,806,000 ($3.49 per share) in 1983, $382,435,000 ($16.12 per share) in 1981, $18,811,000 ($0.79 per share) in 1980 and extraordinary loss of $5,420,000 in 1982.

‡ Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1984	1983
Retail	$ 3,958,422	$ 3,618,145
Wholesale	581,813	522,857
Fur	38,338	39,763
Real estate	243,452	176,946
Natural resources	7,300	12,817
Total	$ 4,829,325	$ 4,370,528

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.60		
1983	0.60		
1982	0.75		
1981	1.20		
1980	1.20		

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 791,992,000	$ 33.29
1983	933,928,000	39.36
1982	907,016,000	38.00
1981	1,059,940,000	44.58
1980	711,713,000	30.01

Income Account *
(000's)

Year ended Jan. 31	1985	1984
Net sales & revenues	$ 4,829,325	$ 4,370,528
Cost of sales & exp.	4,717,442	4,245,368
Interest expense	199,275	173,696
Loss before taxes	$ (87,392)	$ (48,536)
Income taxes (credit)	19,292	(30,142)
Minority interest	750	(488)
Net Loss	$ (107,434)	$ (17,906)
Extraord. gain		82,806
Net Loss & extraord. gain	$ (107,434)	$ 64,900

* Included in Costs and Expenses: Depreciation and Amortization: $83,537,000 in 1984 and $74,900,000 in 1983.

Assets
(000's)

As of Jan. 31	1985	1984
Cash	$ 8,724	$ 12,648
Marketable securities	20,223	149,774
Accts. receiv., net	923,347	759,259
Recov. inc. taxes		14,460
*Inventories	886,799	767,010
Prepaid expenses	24,722	19,878
Current Assets	$ 1,863,815	$ 723,029
Investments	504,190	476,275
Secured receiv.	58,065	57,622
#Fixed assets	1,020,481	928,065
Land for sale & devel.	312,843	309,107
Defer. charges	77,994	68,062
Intangibles	106,423	108,186
Deferred inc. taxes	7,001	1,300
Total Assets	$ 3,950,812	$ 3,671,646

Liabilities
(000's)

	1985	1984
Notes payable	$ 465,224	$ 146,236
Bank indebtness	288,912	320,642
Long-term debt, curr.	173,082	48,898
Accts. payable & accruals	483,662	466,456
Income taxes payable	6,434	—
Curr. Liabilities	$ 1,417,314	$ 982,232
Long-term debt	1,403,731	1,412,889
Minority interest	74,690	75,046
Pensions	19,993	22,765
+ Redeem. pref. stock	240,486	243,382
+ Common stock	259,489	258,424
Add. paid-in capital	9,574	8,934
Retained earnings	526,610	668,926
Cum. trans. adjust.	(1,075)	(952)
Total Liabilities & Shareholders' Equity	$ 3,950,812	$ 3,671,646

* At lower of cost and net realizable value. Retail inventories at average method, all others at FIFO.
# Less accumulated depreciation
+ No par value

Statistical Summary

Working Capital	$ 446,501,000	$ 740,797,000
Current Ratio	1.32	1.75
Shareholders' Equity	$1,035,084,000	$1,178,714,000

IC Industries, Inc.

One Illinois Center
111 East Wacker Drive
Chicago, Illinois 60601
(312) 565-3000

Officers: William B. Johnson, chairman & chief executive officer; Wendell W. Larsen, sr. v.p.-corporate affairs; Robert F. Schnoes, vice chairman; Robert F. Stewart, exec. v.p.; Robert S. Kirby, sr. v.p., general counsel & secretary; John P. Fagan, exec. v.p.-finance; Bruce S. Chelberg, sr. v.p.-corporate planning and development; Ronald A. Wright, v.p.-human resources; Frank T. Westover, sr. v.p. & controller; Wence F. Cerne, v.p.-real estate; J. Robert Copper, v.p.-strategic planning; John F. Palmer, v.p. & tax counsel; Gary A. Lee, v.p.-governmental affairs; Byron E. Waldman, asst. v.p.-governmental affairs; Ralph J. Switzer, v.p. & treasurer; Paul M. O'Hara, v.p.-corp. finance; Alexander R. Lehmann, v.p.-investor relations; Charles H. Connolly, v.p.-corporated communications; Byron E. Waldman, asst. v.p.-governmental affairs; Richard D. Neece, asst. v.p.-financial systems.

Directors: William B. Johnson, chairman of the board; Robert F. Schnoes, John P. Gallagher, C. Jackson Grayson, Jr., Walter H. Helmerich, III, Graham J. Morgan, George V. Myers, Frank A. Nemec, George T. Scharffenberger, Boyd F. Schenk, Robert E. Harrah, Robert F. Stewart, Helen Galland, Harold Logan.

Business Activities: Operates company owned and franchised roadside convenience stores under the name Stuckey's, and operates one-stop party centers selling wines, liquors, and snacks under the names "Vendome" and "9-0-5". Vendome operates stores in Southern California and 9-0-5 operates stores in Missouri and Illinois. Also operates a chain of frozen food storage warehouses in various areas of the continental United States.

Divisions and Subsidiaries:

IC Consumer Products

Pet Incorporated
  Pet is a diversified food products company whose best known brands include Whitman's confections, Underwood Specialty Foods, Old El Paso Mexican foods, Pet-Ritz and Downyflake frozen foods, Pet dairy products and Laura Scudder's snack foods.

Pepsi-Cola General Bottlers, Inc.
Dad's Root Beer Company & Bubble Up Company
  Bottlers and distributors of Pepsi-Cola, Dad's Root Beer, Bubble Up and other soft drinks in the Midwest.

Midas International Corporation
  Operates a worldwide chain of 1,576 franchised and company owned automotive service shops.

Other:

Hussmann Corporation

Illinois Center Corp.

La Salle Properties, Inc.

South Properties, Inc

IC Leasing, Inc

IC Railroad Activities

IC Equities, Inc

Illinois Central Gulf Railroad

IC Commercial Products

Abex Corporation

The four product groups of Abex serve such basic industries as steel, mining, automotive, railroad, aerospace, defense, petro-chemical and general manufacturing.

Acquisition(s):

William Underwood Company
Roman Meal
Cutcher Canning Company
McGrew Color Graphics

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
Stock Transfer Company
30 West Broadway
New York, New York 10007

Stock Exchange(s): New York, Midwest, Pacific, London, Amsterdam

Ticker Symbol: ICX

Sales and Earnings

		Net Sales + (000's)		Net Income (000's)
1983	$	3,734,400	$	92,700
1982		3,657,200		47,600
1981		3,863,200		134,400
1980		3,803,100		120,700
1979		3,417,600		173,700

	No. of Com. Shares	Earn. per Share †
1983	16,734,567	$ 4.73
1982	13,549,781	2.03
1981	14,892,392	6.65
1980	16,365,861	6.02
1979	15,863,984	9.52

+ Of continuing operations only

† Based on the weighted average number of common shares and common share equivalents outstanding after deducting preferred dividends.

Revenues By Line of Business
(000's)

		1983		1982
Commercial products	$	616,600	$	704,200
Consumer products		2,199,800		2,015,500
Transportation		907,400		931,300
Other		10,600		6,200
Total	$	3,734,400	$	3,667,900

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$2.34	—	—
1982	2.26	—	—
1981	2.15	—	—
1980	1.96	—	—
1979	1.80	—	—

Common Stock Equity

		Total Equity ‡ (000's)	Equity Per Share
1983	$	1,121,100	$ 66.99
1982		992,100	73.22
1981		1,076,200	72.27
1980		957,900	58.53
1979		1,002,700	63.21

‡ After allowing for preferred stock at liquidating value.

Income Account *
(000's)

Year ended Dec. 31		1983		1982
Net sales and revenues	$	3,734,400	$	3,657,200
Costs and expenses				
Commercial prods.		616,400		704,000
Consumer prods.		1,999,600		1,856,400
Railroad activities		919,100		934,400
Other charges		28,300		42,200
Income before taxes	$	171,000	$	120,200
Income taxes		76,000		52,800
Inc. cont. oper.	$	95,000	$	67,400
Loss-discont. oper.		(2,300)		(19,800)
Net Income	$	92,700	$	47,600

* Included in Costs and Expenses, Depreciation and Amortization: $136,000,000 in 1983 and $134,400,000 in 1982.

Assets
(000's)

As of December 31		1983		1982
Cash and equivalents	$	180,300	$	25,600
Accts. recvs., net		452,800		409,300
*Inventories		419,900		416,200
Transportation materials		48,200		57,100
Other curr. assets		38,000		81,700
Current Assets	$	1,139,200	$	989,900
Investments		122,000		170,100
#Fixed assets		2,490,400		2,524,800
Other assets		106,300		111,700
Goodwill		127,200		140,300
Total Assets	$	3,985,100	$	3,936,800

Liabilities
(000's)

		1983		1982
Notes payable	$	174,500	$	234,400
Long-term debt, curr.		67,700		53,900
Accts., wages and dividends payable		254,900		235,100
Inc. taxes pay.		17,500		15,700
Accruals		123,900		119,800
Accrued payroll		90,100		110,400
Taxes		23,700		25,400
Curr. Liabilities	$	752,300	$	794,700
Long-term debt		1,270,800		1,297,800
Deferred income taxes		395,800		364,700
Other liab.		89,300		99,500
ICG redeem. pref. stock		151,800		149,000
Redeem. first pref stock		100,000		100,000
+ Second pref. stock		47,400		62,300
+ Common stock		264,400		271,800
Retained earnings		1,038,500		1,001,500
Foreign curr. transl.		(83,800)		(51,600)
Treasury stock		(41,400)		(152,900)
Total Liabilities & Shareholders' Equity	$	3,985,100	$	3,936,800

* At lower of cost (FIFO, average or standard) or market.

Less accumulated depreciation.

+ No par value.

Statistical Summary

%Net Income to Equity	7.57	4.21
Working Capital	$386,900,000	$195,200,000
Current Ratio	1.51	1.25
Shareholders' Equity	$1,225,100,000	$1,131,100,000

Imasco Limited

4 Westmount Square
Montreal, Quebec, Canada H3Z 2S8
(514) 937-9111

Officers: Paul Pare, chairman of the board & chief executive officer; L. Edmond Ricard, president & chief operating officer; Roger S. Ackman, v.p. & general counsel; Roderick C. Foster, exec. v.p.; Robert C. Begin, v.p. & treasurer; William J. Harris, v.p.-administration; Roy R. Schwartz, v.p.-corporate development; Noel Perusse, v.p.-industry relations; Daniel E. Somers, v.p. & chief financial officer, & comptroller; Paul Ryan, v.p. & secretary; Torrenie J. Wylie, v.p.-public affairs; Pierre Duhamel, assistant treasurer; G. Michael Martin, asst. comptroller.

Directors: Paul H. Pare*, L. Edmond Ricard*, Purdy Crawford*, Yves Hudon, Peter Kilburn*, Jean-Louis Mercier, Murray B. Koffler, Jack A. Laughery, Roderick C. Foster, Rowland Frazee*, Sheldon W. Fantle, David R. Bloom, Jean H. Richer

* Member of the Executive Committee

Business Activities: Imasco Ltd. is a major Canadian Consumer and Services Corporation with operations in Canada and the United States. Imasco operates through four main divisions. Imperial Tobacco, Canada's largest tobacco company, manufactures and distributes a complete range of tobacco products. The UCS Group operates a chain of 445 tobacco and gift shops across Canada. Shoppers Drug Mart operates a chain of 447 franchised and company owned pharmacies principally in Canada. Specializing in prescription drugs, over-the-counter medication, health and beauty aids and cosmetics. Peoples Drug Stores opertes a chain of 765 drug stores in 14 states and in Washington, D.C., and Amasco USA operates and licenses a system of 2,411 restaurants under the name of Hardee's.

Operating Division:

Imperial Tobacco
3810 St. Antoine Street West
Montreal, Quebec H4C 1B5
Canada

Manufactures and distributes cigarettes, fine cut tobaccos, pipe tobaccos, chewing tobaccos and markets snuff.

Imperial Leaf Tobacco
John Street North
Aylmer, Ontario N5H 2R8
Canada

Purchases and processes leaf tobacco for Imperial Tobacco and for export.

The UCS Group
50 Overlea Boulevard
Toronto, Ontario M4H 1B9
Canada

Operates a chain of 455 retail tobacco and gift shops.

Shoppers Drug Mart
225 Yorkland Boulevard
Toronto, Ontario M2J 4Y7
Canada

Operates a group of 447 licensed and company owned drug stores in Canada and the United States.

Top Drugs Mart
Toronto, Ontario

Pharmaprix
Montreal, Quebec

Imasco Resources
4 Westmount Square
Montreal, Quebec H3Z Z58

Explores investment opportunities in natural resources and venture capital fields, and the operations of the 455 UCS Group tobacco and gift shops in Canada.

Imasco B.V.
J.J. Viottastraat 50
Amsterdam, 1071 JT The Netherlands

Finances associated businesses.

Imasco U.S.A., Inc.
1233 North Church Street
Rocky Mount, N.C. 27801

Operates and licenses 2,411 fast service restaurants principally in the U.S. and operates manufacturing and distribution facilities.

Burger Chef Systems, Inc.
3500 DePauw Boulevard
Indianapolis, Indiana 46268

Hardee's Food Systems, Inc.

Fast Food Merchandisers, Inc.

Specialty Food Service Division

Peoples Drug Stores, Inc
6315 Bren Mar Drive
Alexandria, Virginia 22312

Operates a chain of 765 drug stores in 6 major metropolitan markets: Washington D.C., Atlanta, Georgia, Indianapolis, Indiana, Tidewater, Virginia, Toledo, Ohio; and Harrisburg, Pennsylvania

Acquisition(s):

Rea & Derrick, Inc., Pennsylvania
Grisanti, Inc
1000 F[illegible]erty St
Louisville, KY 40204

Transfer Agent(s):

Montreal Trust Company
Montreal, Quebec, Canada
Halifax, Nova Scotia, Canada
Toronto, Ontario, Canada
Vancouver, British Columbia, Canada
Calgary, Alberta, Canada
Winnipeg, Manitoba, Canada
Regina, Saskatchewan, Canada

Stock Exchange(s): Montreal, Toronto, Vancouver

Ticker Symbol: IMS

Number of Stores:* (at fiscal year end)

1985	N.A.	1982	1,24[illegible]
1984	1,686	1981	1,14[illegible]
1983	1,264		

N.A. Not Available

* Retail division only includes franchise operations

Sales and Earnings ‡

	Net Sales # (000's)	Net Income + (000's)
1985	$ 4,353,254	$ 234,108
1984	2,873,151	205,080
1983	2,713,901	161,594
1982	2,190,756	124,176
1981	1,423,707	89,550

	No. of Com Shares †	Earn. per Share + ×
1985	108,898,364	$ 2.25
1984	102,108,696	2.14
1983	90,909,478	1.79
1982	82,812,296	1.34
1981	82,812,296	1.07

‡ In Canadian dollars
# Includes sales and excise tax
+ Includes extraordinary gains of $10,908,000 ($0.11 per share) in 1984, $4,831,000 ($0.06 per share) in 1983 and extraordinary loss of $4,663,000 ($0.06 per share) in 1982
† Adjusted to reflect stock splits
× Based on the weighted average number of shares outstanding adjusted to reflect stock splits

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.645	—	2-for-1
1984	0.50	—	—
1983	0.40	—	2-for-1
1982	0.35	—	—
1981	0.30	—	2-for-1

+ Adjusted to reflect stock splits

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1985	$1,319,981,000	$ 11.87
1984	982,221,000	9.49
1983	713,857,000	7.85
1982	483,545,000	5.84
1981	402,023,000	4.86

‡ After allowing for preferred shares at stated value
† Adjusted to reflect stock splits

Income Account
(000's)

Year ended Mar. 31	1985	1984
Revenues	$ 4,353,254	$ 2,873,151
Sales & excise taxes	727,281	667,820
Oper. costs	3,193,941	1,865,723
Oper. profit	$ 432,032	$ 339,608
Corp. expenses	17,308	16,040
Interest expense	49,300	21,082
Income before taxes	$ 365,424	$ 302,486
Income taxes	131,316	108,314
Net Income	$ 234,108	$ 194,172
Extraordinary gain	—	10,908
Net Income & extraord. gain	$ 234,108	$ 205,080

Assets
(000's)

As of Mar. 31	1985	1984
Cash & term deposits	$ 270,741	$ 224,321
Accts. & notes receiv., net	282,750	143,756
*Inventories	909,704	534,261
Prepaid expenses	16,603	15,025
Current Assets	$ 1,479,798	$ 917,363
Invest. in Peoples drug stores	—	363,202
Investments & notes receiv.	96,087	107,213
#Fixed assets	867,618	552,045
Defer. charges	48,301	21,740
Intangibles	249,768	68,334
Total Assets	$ 2,741,572	$ 2,029,897

Liabilities
(000's)

	1985	1984
Bank indebtedness	$ 334,932	$ 192,568
Long-term debt, curr.	17,882	10,884
Accts. payable & accruals	368,239	224,779
Income & other taxes	50,541	69,546
Curr. Liabilities	$ 771,594	$ 497,777
Long-term debt	560,008	480,470
Long-term oblig. under cap. leases	30,544	28,552
Deferred inc. taxes	53,645	35,077
Preference stock 6%	5,800	5,800
+ Common stock	447,645	290,682
Gain on for. curr. trans.	27,834	13,724
Retained earnings	844,502	677,815
Total Liabilities & Shareholders' Equity	$ 2,741,572	$ 2,029,897

* At lower of cost or net realizable value
# Less accumulated depreciation
+ No par value

Statistical Summary

% Income bef. Taxes to Sales	8.39	10.53
% Net Income to Sales	5.38	6.76
% Net Income to Equity	17.66	19.65
Sales to Inventories	4.79	5.38
Working Capital	$708,204,000	$419,586,000
Current ratio	1.92	1.84
Shareholders' Equity	$ 1,325,781	$988,021,000

Inmar Corporation

25 Taylor Street
San Francisco, California 94102
(415) 777-4222

Officers: Joseph Rank, co-chairman of the board; William A. Meyer, co-chairman of the board, president and chief executive officer; Harry Kraatz, vice chairman of the board and chief operating officer; Douglas P. Haffner, v.p., general counsel and assistant secretary; John D. Hellmann, v.p., secretary & chief financial officer

Directors: Joseph Rak, William A. Meyer, co-charman, Harry Kraatz, Richard S. Nair, A. Dan Phillips, Bernard M. Frank, Donald Karas, Sheldon H. Sloan

Business Activities: Owns and operates specialty apparel stores under the name "Aca Joe"

Subsidiaries:

Aca Joe International

Sells clothing and accessories at retail under the Aca Joe trademark

Transfer Agent(s):

Bank of America, NT & SA
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TPTR (NASDAQ)

Number of Stores: (at fiscal year end)

1985	N.A.	1982	80
1984	57	1981	86
1983	74		

N.A.-Not Available

Sales and Earnings

	Net Sales +	Net Income
1985*	$ 12,744,401	$ (2,977,772)
1984	16,894,730	(2,764,109)
1983	18,701,656	(72,219)
1982	17,870,119	490,768
1981	19,474,455	(2,339,401)

	No. of Com Shares ‡	Earn. per Share ‡
1985*	5,426,263	$ —
1984	5,264,763	—
1983	4,411,673	—
1982	3,408,316	0.14
1981	2,161,673	—

(Loss)
* 53 weeks
+ Of continuing operations only
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 30,226	$ 0.01
1984	2,874,808	0.55
1983	3,659,036	0.83
1982	3,730,295	1.09
1981	(6,211,745)	—

(Deficiency)
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends

Income Account *

Year ended	2/3/85 (53 weeks)	1/29/84
Net sales	$ 12,744,401	$ 16,894,730
Cost of sales	6,911,075	9,823,058
Expenses	6,836,373	9,049,616
Loss on store clos.	484,963	127,949
Interest expense	217,282	174,575
Other income	(303,762)	(108,925)
Loss-cont. oper.	$ (1,401,530)	$ (2,171,543)
Loss-discont. oper.	(1,576,242)	(592,566)
Net Loss	$ (2,977,772)	$ (2,764,109)

* Included in Costs and Expenses, Depreciation and Amortization: $438,944 in 1985 and $533,068 in 1984

Inmar Corporation

Assets

As of	2/3/85	1/29/84
Cash	$ 1,586,792	$ 2,060,546
Receivables	1,316,912	250,690
*Inventories	423,965	2,132,403
Prepaid expenses	39,625	175,929
Current Assets	$ 3,367,294	$ 4,619,568
#Fixed assets	618,729	1,662,307
Other assets	256,663	249,973
Total Assets	$ 4,242,686	$ 6,531,848

Liabilities

Oblig. under cap. leases, curr.	$ 88,983	$ 98,305
Accts. payable & accruals	2,069,566	2,265,340
Accrued liabilities	610,789	
Acceptances payable to bank	145,349	
Curr. Liabilities	$ 2,914,687	$ 2,363,645
Long term debt	95,417	43,568
Oblig. under cap. leases	115,862	186,005
Debentures 12%	1,086,494	1,063,822
+ Common stock	542,627	526,477
Add. paid-in capital	4,449,507	4,332,467
Retained earnings (deficit)	(4,961,908)	(1,984,136)
Total Liabilities & Shareholders' Equity	$ 4,242,686	$ 6,531,848

* At lower of cost (average method) or market

# Less accumulated depreciation and amortization

+ $0.10 par value

Statistical Summary

Sales to Inventories	30.06	8.25
Working Capital	$452,607	$2,255,923
Current Ratio	1.16	1.95
Shareholders' Equity (Deficiency)	$ 30,226	$2,874,808

INTERCO Incorporated

Ten Broadway
St. Louis, Missouri 63102
(314) 231-1100

Mailing address:

P.O. Box 8777
St. Louis, Missouri 63102

Officers: John K. Riedy, chairman of the board; Harvey Saligman, president & chief exec. officer; Ronald L. Aylward, exec. v.p. administrative; Eugene F. Smith, sr. v.p. finance; Stanley M. Cohen, J. Carl Powers, Harry M. Krogh, Paul H. Broyhill, Charles J. Rothschild, Jr., Nathan S. Ancell, v.p.'s; Duane A. Patterson, secretary; Robert T. Hensley, Jr., treasurer; Stanley F. Huck, controller; Keith E. Mattern, general counsel & asst. secretary; James K. Pendleton, asst. secretary; William R. Withrow, asst. treasurer; Russell L. Baumann, asst. controller.

Directors: Nathan S. Ancell, Ronald L. Aylward*, Zane E. Barnes, Thomas H. O'Leary, Charles J. Rothschild, Jr., Harvey Saligman*, Stanley M. Cohen, John K. Riedy*, Edwin S. Jones, Donald E. Lasater*, Paul H. Broyhill, Marilyn S. Lewis.

* Member of the Executive Committee

Operating Groups:

Apparel Manufacturing Group

Consists of 11 apparel companies which design, manufacture and distribute a full range of popular-priced branded and private label sportswear, casual apparel and outer garments and headwear for men and women. Sportswear and casual apparel is produced in 517 apparel manufacturing plants and shipped to customers from 123 major distribution centers. The principal products for men include: woven and knit slacks, knit shirts - both sport and dress, sport coats, three piece vested casual sport suits, rainwear, golf jackets, heavy outer garments, carcoats, stadium coats, sweaters, jeans, western wear, outerwear, headwear, swimwear and walk shorts. For women: sweaters, slacks, skirts, vests, jackets, shirts, jeans, suits, dresses, pants, blouses, T-shirts, jumpers, culottes, blazers, rainwear, golf jackets, heavy outer garments, head wear, carcoats and stadium coats.

Abe Schrader Corporation
New York, New York

Big Yank Corporation
350 Fifth Avenue
New York, New York 10001
(212) 736-9393

Cowden Manufacturing Company
300 New Circle Road N.W.
Lexington, Kentucky 40501
(606) 254-6627

Campus Sportswear Company
Mack Centre Drive
Paramus, New Jersey 07652
(201) 262-9100

The Biltwell Company, Inc.
1128 Washington
St. Louis, Missouri 63103
(314) 231-3850

Devon Apparel
3300 Frankford Avenue
Philadelphia, Pennsylvania 19134
(215) 739-2000

College Town
College Town Drive
Braintree, Massachusetts 02184
(617) 848-1200

International Hat Company
St. Louis, Missouri

Queen Casuals, Inc.
10175 Northeast Avenue
Philadelphia, Pennsylvania 19116
(215) 677-3000

Londontown Corporation
London Town Road
Eldersburg, Maryland 21784
(301) 795-5900

Stuffed Shirt, Inc.
1407 Broadway
New York, New York

General Retail Merchandising Group

Operates 263 junior department stores, discount stores, men's and women's specialty apparel shops, specialty department stores and large do-it-yourself home improvement centers in 24 states. The principal regional trading names include Benchley, Central Hardware, Carithers, Falk's ID, Fine's, Golde's, Sky City Discount Centers, Keith O'Brien, Kent's, Jeans Galore, Standard Sportswear, Idaho Department Stores, Thornton's, and United Shirt.

Central Hardware Company
St. Louis, Missouri

Idaho Department Stores
Caldwell, Idaho

Fine's Men's Shops, Inc.
1164 Azalea Garden Road
P.O. Box 749
Norfolk, Virginia 23501
(703) 857-6013

Sky City Stores, Inc.
Asheville, North Carolina

Golde's Department Stores, Inc.
9957 Manchester Road
St. Louis, Missouri 63122
(314) 968-2900

United Shirt Distributors, Inc.
1927 Michigan Avenue
Detroit, Michigan 48216
(313) 962-9895

Footwear Manufacturing and Retailing Group

Styles, manufactures and distributes primarily men's footwear in most major price categories in the United States and Canada, and manufactures and wholesales men's footwear in Australia. Facilities include 15 shoe manufacturing plants and 3 major distribution centers. The company also operates 875 retail shoe stores and leased shoe departments in 43 States in this country as well as Canada, Mexico and Australia. Major footwear and retail trading names include: Florsheim Shoe Shops for men, Florsheim Thayer McNeil Men's and Women's Shops, Duane's, Phelp's, Miller Taylor and Thompson, Boland & Lee. Major footwear brands for men include: Ambassador, Florsheim, Florsheim Imperial, Royal Imperial by Florsheim, Hy-Test, Idlers by Florsheim, Julius Marlow, Rand, Winthrop, Weeds from Florsheim, Worthmore; for women: Crawdads, diVina, Patriot, Miss Wonderful, Personality, Florsheim, Thayer McNeil and Vitality.

The Florsheim Shoe Company
Canal, Adams & Clinton Street
Chicago, Illinois 60606
(312) 329-7500

International Shoe Company
1509 Washington Avenue
St. Louis, Missouri 63166
(314) 342-7000

Senack Shoes, Inc.
1248 Andes Boulevard
St. Louis, Missouri 63132
(314) 997-6330

Furniture and Home Furnishings Group

Manufactures and distributes quality furniture and home furnishings under the names of Ethan Allen, Broyhill, Kling and Restocrat. There are 46 factories and 12 distribution centers and consolidated warehouses located throughout the United States. Major retail trading names include: Carriage House, Georgetown Manor, Manor House and Georgetown. Also owns and operates 17 Showcase Galleries and accessory stores.

Ethan Allen Inc.
Danbury, Connecticut

Broyhill Furniture Industries, Inc.
Lenoir, North Carolina

Manufactures a broad line of household furniture under the Broyhill name.

Transfer Agent(s):

Morgan Guaranty Trust Company
New York, New York 10249
(212) 587-6434

Mercantile Trust Company National Association
St. Louis, Missouri 63166
(314) 425-2755

Stock Exchange(s): New York, Midwest (common shares only)

Ticker Symbol: ISS

Number of Stores: (at fiscal year end)

	Retail Shoe Stores & Depts.	Gen'l. Retail Stores
1983	863	551
1982	878	847
1981	929	868
1980	874	856
1979	844	82[illegible]

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1985	$ 2,625,746	$ 92,163
1984	2,678,886	116,194
1983	2,566,606	85,762
1982	2,673,769	118,615
1981	2,368,456	121,203

	No. of Com. Shares +	Earn. per Share +
1985	16,229,000	$ 4.45
1984	16,562,000	7.02
1983	16,429,000	5.22
1982	16,406,000	7.23
1981	16,344,000	7.42

+ Based on the average number of common shares and common share equivalents outstanding fully diluted

Revenues By Line of Business
(000's)

	1985	1984
Apparel	$ 943,077	$ 880,122
General retail	545,322	693,914
Footwear	580,467	565,891
Furniture	556,880	538,959
Total	$ 2,625,746	$ 2,678,886

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$3.03	—	—
1984	2.88	—	
1983	2.88		
1982	2.88		
1981	2.64		

Common Stock Equity

	Total Equity +	Equity Per Share ‡
1985	$ 991,460,000	$ 61.09
1984	1,020,754,000	61.63
1983	932,417,000	56.75
1982	885,500,000	53.97
1981	809,433,000	49.52

+ After allowing for preferred shares at stated and involuntary liquidating value

‡ Based on the average number of common shares and common share equivalents outstanding fully diluted

Income Account *
(000's)

Year ended	2/28/85	2/29/84
Net sales	$ 2,625,746	$ 2,678,886
Other income	31,852	44,495
Total Income	$ 2,657,598	$ 2,723,381
Cost of sales	1,813,934	1,820,366
Expenses	638,151	650,332
Interest expense	26,400	31,662
Redeployment expense	35,000	—
Income before taxes	$ 144,103	$ 221,021
Income taxes	71,940	104,827
Net Income	$ 72,163	$ 116,194

* Included in Costs and Expenses, Depreciation: $44,643,000 in 1985 and $42,524,000 in 1984

Assets
(000's)

As of	2/28/85	2/29/84
Cash	$ 12,992	$ 11,996
Marketable securities	32,465	114,603
Accts. receiv., net	335,258	[illegible]9,054
*Inventories	615,267	641,235
Prepaid expenses & other current assets	30,789	22,654
Current Assets	$ 1,026,771	$ 1,119,542
Marketable invest. secur.	7,535	10,297
#Fixed assets	401,092	408,365
Other assets	99,843	69,628
Total Assets	$ 1,535,241	$ 1,607,832

Liabilities
(000's)

Long-term debt, curr.	$ 15,066	$ 13,622
Cap. lease oblig., curr.	5,823	6,047
Accts. payable & accruals	220,839	229,477
Income taxes	3,710	17,549
Curr. Liabilities	$ 245,438	$ 266,695
Long-term debt	133,311	139,914
Cap. lease oblig.	61,403	69,002
Other long-term liabilities	30,325	31,258
+ Preferred stock	73,304	80,209
+ + Common stock	117,102	115,652
Add. paid-in capital	91,496	84,242
Retained earnings	863,019	843,635
Treasury stock	(80,157)	(22,775)
Total Liabilities & Shareholders' Equity	$ 1,535,241	$ 1,607,832

* At lower of cost (FIFO) or market except footwear at LIFO

Less accumulated depreciation

+ No par value: $100 stated value

+ + $7.50 stated value

Statistical Summary

% Income bef. Taxes to Sales	5.48	8.25
% Net Income to Sales	2.74	4.34
% Net Income to Equity	6.77	10.55
Sales to Inventories	4.26	4.18
Working Capital	$ 781,333,000	$852,847,000
Current Ratio	4.18	4.20
Shareholders' Equity	$1,064,764,000	$1,100,963,000

Intermark, Inc.

1020 Prospect Street, Suite 200
P.O. Box 1149
La Jolla, California 92038
(714) 459-3841

Officers: Charles R. Scott, president and chief executive officer; Frank C. Alexander, v.p. and chief financial officer; Kraig W. Kramers, group v.p.; Mitchell R. Woodbury, v.p., corporate counsel & secretary; Sandra [illegible] Fry, asst. to president and asst. secretary; Vernon A. LoForti, controller

Directors: Clark A. Johnson, Gordon C. Luce, John C. Monday, Charles R. Scott, Thomas N. Warner

Areas of Work: Intermark is a conglomerate composed of eight California based subsidiaries with various products including electronics, printing, medical transport, furniture and landscaping

Divisions and Subsidiaries:

Dynamark Inc.
265 South Randolph Street, Suite 280
Brea, California 92621
(714) 990-6227

Manufactures and distributes custom wheels in the U.S. Also supplies steel and cast aluminum wheels to original equipment manufacturers

U.S. Press, Inc.
101 West Broadway
San Diego, California 92101
(619) 234-6651

Operates three printing companies on the West Coast: Art & Crafts Press, Franklin Press, and Graphic Arts Center

Munson Sporting Goods Co.
350 East Paularino Avenue
Costa Mesa, California 92626
(714) 979-0110

Wholesale distributor of athletic products to retailers in the Western United States

Mission West Properties
110 Fifteenth Street
Del Mar, California 92014
(619) 4810-5181

Develops and owns commercial real estate in Western U.S.

Acquisition(s):

Pier 1 Inc. (36% owned)

Specialty retailer of imported home furnishings and related gift items. Also owns Wolfe Nursery, a garden center chain in Texas and Oklahoma; Nurseryland Garden Centers, a garden center chain in the Southwestern United States; and CMEI, Inc., an Atlanta-based real estate management/development firm

Superior Transmed
14700 South Spring Avenue
Santa Fe Springs, California 90670
(213) 921-1416

Supplies paramedical vehicles and associated medical equipment in 10 Western States

Transfer Agent(s):

First Interstate Bank of California

Stock Exchange(s): American

Ticker Symbol: IMI

Sales and Earnings

	Net Revenues ‡	Net Income
1985	$ 465,470,000	$ (1,975,000)
1984	153,224,000	7,366,000
1983	97,682,000	15,422,000
1982	71,980,000	1,449,000
1981	36,721,000	5,316,000

	No. of Com. Shares †	Earn. per Share †
1985	4,121,000	$
1984	4,166,000	1.77
1983	4,084,000	3.77
1982	4,143,000	0.34
1981	4,167,000	1.25

(Loss)

‡ Of continuing operations only

† Based on the weighted average number of shares outstanding adjusted to reflect stock splits

Revenues By Line of Business

	1985	1984
Import retailing	$ 173,466,000	$ —
Garden products	107,055,000	—
Automotive prods.	63,399,000	64,283,000
Graphics	85,318,000	54,809,000
Sporting goods distr.	32,934,000	29,637,000
Other oper.	3,603,000	4,726,000
Eq. in inc. of unconsol. cos.	1,048,000	4,609,000
Corp.	4,432,000	3,614,000
Eliminations	(305,000)	(431,000)
Total	$ 470,950,000	$ 161,247,000

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1985	$0.12	—	—
1984	0.12	—	3-for-2
1983	0.11	—	—
1982	0.11	—	—
1981	0.09	—	4-for-3

† Adjusted to reflect stock splits

Common Stock Equity

	Total Equity	Equity Per Share †
1985	$ 45,816,000	$ 11.11
1984	49,388,000	12.01
1983	41,917,000	10.28
1982	26,681,000	6.57
1981	26,201,000	6.41

† Based on the weighted average number of shares outstanding adjusted to reflect stock splits

Income Account *
(000's)

Year ended March 31	1985	1984
Net sales	$ 465,470	$ 153,224
Eq. in inc. of unconsl. cos.	1,048	4,609
Other income	4,432	3,414
Total Income	$ 470,950	$ 161,247

Intermark, Inc.

Cost of sales	294,005	118,967
Expenses	152,502	29,423
Interest expense	18,333	10,281
Income before taxes	$ 6,110	$ 2,576
Income taxes (credit)	3,666	(665)
Minority interest	4,419	—
Inc. (loss)-cont. oper.	$ (1,975)	$ 3,241
Inc.-discont. oper.	—	1,044
Gain from sale of stock in subsid.	—	3,081
Net Income (Loss)	$ (1,975)	$ 7,366

* Included in Costs and Expenses, Depreciation and Amortization: $9,814,000 in 1985 and $3,817,000 in 1984.

Assets
(000's)

As of March 31	1985	1984
Cash & cash equiv.	$ 3,250	$ 2,432
Receiv., net	40,495	43,741
*Inventories	104,770	43,069
Prepaid expenses	10,636	2,780
Current Assets	$ 159,151	$ 92,022
#Fixed assets	65,603	32,316
Investments	49,538	59,813
Intangibles	17,355	5,361
Other assets	4,853	5,681
Total Assets	$ 296,500	$ 195,193

Liabilities
(000's)

Short-term debt	$ 10,638	$ —
Long-term debt, curr.	6,232	6,959
Accts. payable	32,120	22,471
Accruals	20,256	14,103
Income taxes	—	316
Curr. Liabilities	$ 69,246	$ 43,849
Long-term debt	130,363	82,942
Cap. lease oblig.	6,670	6,176
Other liabilities	13,009	12,838
Minority interest	31,396	—
+ Common stock	4,123	4,111
Add. paid-in capital	13,530	12,825
Retained earnings	28,163	32,452
Total Liabilities & Shareholders' Equity	$ 296,500	$ 195,193

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

Sales to Inventories	4.44	3.56
Working Capital	$89,905,000	$48,173,000
Current Ratio	2.30	2.10
Shareholders' Equity	$45,816,000	$49,388,000

IPCO Corporation

(formerly IPCO Hospital Supply Corporation)

1025 Westchester Avenue
White Plains, New York 10604
(914) 682-4500

Officers: Robert Savin, chairman of the board, chief exec. officer; Charles V. Linfante, president & chief financial officer; Bernard Weissman, Edward D. Collins, Sidney Weinrib, D. Brody, v.p.'s; Howard M. Landa, v.p., general counsel & secretary.

Directors: Robert S. Savin, chairman; Walter J. Brotherton, I.W. Burnham, II, Max M. Low, Robert K. Low, Charles V. Linfante, Arlie G. Lazarus, Herbert L. Rosedale, David A. Scheinman, Howard M. Landa.

Business Activities: Manufactures and distributes health care and related products. Retail activities include the operation of Uniforms by Gilson stores with outlets specializing in uniforms for waitresses and nurses. Also operates Sterling Optical which retails optical products such as glasses and contact lenses.

Divisions and Subsidiaries:

Medical Group

Community Blood & Plasma Service
1618 Third Avenue North
Birmingham, Alabama 35203
(205) 251-5179
Operates blood donor centers.

Whitestone Products
40 Turner Place
Piscataway, New Jersey 08854
(201) 752-2700
Manufactures non-woven and a variety of paper disposable products.

Uniforms by Gilson
2710 Hempstead Turnpike
Levittown, New York 11756
(516) 735-2600
Operates a chain of retail stores concentrated in the Greater New York Area.

Dental Group

Whaledent International
236 Fifth Avenue
New York, New York 10001
(212) 481-6370
Overseas representative of American-made dental products.

Dental Prosthetics Division
1025 Westchester Avenue
White Plains, New York 10604
(914) 682-4500
Operates individual dental laboratories in the United States and Canada.

Sterling Dental Centers
1025 Westchester Avenue
White Plains, New York 10604
(914) 682-4570
Builds and equips dental centers which are then leased to private dental corporations.

Optical Group

Sterling Optical
1 Huntington Quadrangle
Suite 2N12
Melville, New York 11747
(516) 694-7744
Operates a chain of retail optical centers in the United States and Canada.

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York, Pacific

Ticker Symbol: IHS

Number of Retail Centers: (at fiscal year end)

	Optical	Uniform Shops
1984	155	43
1983	129	34
1982	120	34
1981	110	28
1980	101	25

Sales and Earnings

	Net Sales	Net Income #	No. of Com. Shares ‡	Earn. per Share ‡#
1984	$ 193,048,000	$ 6,702,000	5,531,548	$ 1.21
1983	170,676,000	6,511,000	5,431,265	1.20
1982	147,778,000	5,576,000	5,190,001	1.07
1981	136,285,000	4,787,000	5,178,161	0.92
1980	123,183,000	(10,579,000)	5,196,370	—

(Loss)
Including extraordinary gains of $300,000 ($0.05 per share) in 1984, $1,043,000 ($0.19 per share) in 1983, of $2,430,000 ($0.47 per share) in 1982 and $2,433,000 ($0.47 per share) in 1981.
‡ Based on the average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1984	1983
Medical	$ 85,205,000	$ 82,087,000
Dental	39,033,000	35,511,000
Optical —	68,810,000	53,078,000
Total	$ 193,048,000	$ 170,676,000

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 61,211,000	$ 11.07
1983	56,236,000	10.35
1982	49,475,000	9.53
1981	44,935,000	8.68
1980	40,831,000	7.86

‡ Based on the average number of common shares and common share equavlints outstanding.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 193,048,000	$ 170,676,000
Cost of sales	104,254,000	94,950,000
Expenses	75,944,000	64,350,000
Other income	(781,000)	(377,000)
Interest expense	1,431,000	1,277,000
Income before taxes	$ 12,200,000	$ 10,476,000
Income taxes	5,798,000	5,008,000
Net Income	$ 6,402,000	$ 5,468,000
Extraord. gain	300,000	1,043,000
Net Income & extraord. gain	$ 6,702,000	$ 6,511,000

* Included in Costs and Expenses, Depreciation and Amortization: $4,946,000 in 1984 and $3,893,000 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 3,961,000	$ 13,675,000
Accts. receiv., net	17,446,000	15,708,000
*Inventories	30,363,000	24,139,000
Prepaid expenses & other current assets	2,026,000	973,000
Current Assets	$ 53,796,000	$ 54,495,000
#Fixed assets	45,508,000	35,935,000
Other assets	1,805,000	1,350,000
Defer. charges	1,256,000	1,024,000
Intangibles	5,719,000	5,698,000
Total Assets	$ 108,084,000	$ 98,502,000

Liabilities

Long-term debt, curr.	$ 2,085,000	$ 1,670,000
Notes payable	3,500,000	—
Accts. payable	11,148,000	10,366,000
Accruals	5,197,000	4,596,000
Income taxes	65,000	2,026,000
Other current liabilities	6,455,000	4,970,000
Curr. Liabilities	$ 28,450,000	$ 23,628,000
Long-term debt	14,846,000	16,434,000
Deferred inc. taxes	2,152,000	891,000
Other liabilities	1,425,000	1,313,000
+ Common stock	5,462,000	5,391,000

Add. paid-in capital	12,670,000	12,335,000
Retained earnings	43,586,000	38,510,000
Treasury stock	(507,000)	—
Total Liabilities & Shareholders' Equity	$ 108,084,000	$ 98,502,000

* At lower of cost (FIFO) or market
# Less accumulated depreciation
+ $1 par value

Statistical Summary

% Income bef. Taxes to Sales	6.32	6.14
% Net Income to Sales	3.32	3.20
% Net Income to Equity	10.46	11.58
Sales to Inventories	6.36	7.07
Working Capital	$25,346,000	$30,867,000
Current Ratio	1.89	2.31
Shareholders' Equity	$61,211,000	$56,236,000

Jack Eckerd Corporation

8333 Bryan Dairy Road
P.O. Box 4689
Clearwater, Florida 33518
(813) 397-7461

Officers: Stewart Turley, chairman of the board & president; John W. Boyle, sr. vice president-finance & administration; Michael Zagorac, Jr., vice president-public affairs; David M. Baker, v.p. & treasurer; Jackie Kisbany, secretary; Richard W. Roberson, v.p. & controller; James M. Santo, vice president-corp. counsel; Burton C. Perfit, sr. v.p.-group executive

Directors: Stewart Turley*, James M. Roche, Jack Eckerd*, Jere W. Thompson, Norman Stallings*, Kenneth F. Finger, Edward M. O'Herron, Jr.*, Robin B. Smith, John W. Boyle, Walter Y. Elisha

* Member of the Executive Committee

Business Activities: Operates a chain of Eckerd Drug Stores, a chain of JByrons Department Stores, a chain of casual-wear shops for young adults under the name Junction Shops, a chain of Eckerd Optical Centers, and a chain of stores (VideoConcepts) specializing in home video-related merchandise. The drug stores are located in Texas, Florida, Louisiana, Mississippi, Georgia, Delaware, Alabama, North Carolina, South Carolina, Tennessee, Virginia, New Jersey, Maryland, West Virginia and Oklahoma and sell prescription and proprietary drugs, cosmetics, toiletries, cameras, film and household appliances. The department stores are located in Florida and sell apparel, health and beauty aids and household goods. The optical centers are located in Florida, North Carolina, Mississippi, Tennessee, Georgia and Louisiana. The home entertainment stores are located in 30 states.

Divisions and Subsidiaries:

Eckerd Drug Company
Clearwater, Florida 33518
Operates a chain of 1,481 drug stores in 15 states.

JByrons Department Store Division
15600 N.W. 15th Avenue
P.O. Box 3620 Norland Branch
Miami, Florida 33169
(305) 625-2681
Operates 61 junior department stores in Florida.

Eckerd's Apparel, Inc.
Charlotte, North Carolina
Operates 103 casual-wear shops for young adults in the Carolinas, Georgia, Alabama, Tennessee, Mississippi, Virginia, Florida and Kentucky.

American Home Video
Denver, Colorado
Operates a chain of 203 VideoConcepts stores in 30 states, specializing in home video and electronic equipment.

Transfer Agent(s):

Bradford Trust Company
New York, New York
Miami, Florida

Stock Exchange(s): New York

Ticker Symbol: ECK

Number of Stores: (at fiscal year end)

	Drug Stores	Optical Centers	Dept. Stores	Apparel Shops	Video Stores
1984	1,423	152	57	98	198
1983	1,319	157	48	94	179
1982	1,238	157	43	87	163
1981	1,135	160	39	83	106
1980	1,045	158	38	85	—

Sales and Earnings

	Net Sales ‡	Net Income
1984	$2,622,484,000	$ 85,374,000
1983	2,325,044,000	71,731,000
1982	2,080,183,000	70,681,000
1981	1,752,550,168	78,509,973
1980*	1,547,752,692	69,253,912

	No. of Com. Shares †	Earn per Share +
1984	37,567,490	$ 2.27
1983	37,461,475	1.91
1982	37,325,488	1.90
1981	35,757,964	2.19
1980*	35,515,476	1.95

* 53 weeks
‡ Including operating revenues
† Adjusted to reflect stock split
+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split

Revenue By Line of Business

/	1984	1983	1982	1981
Drug chain	86%	86%	87%	92%
JByrons	8	9	8	8
Amer. Home Video	6	5	5	—
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.98	—	—
1983	0.95	—	—
1982	0.89	—	—
1981	0.765	—	3-for-2
1980	0.63	—	—

+ Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 618,812,000	$ 16.47
1983	568,292,000	15.17
1982	529,742,000	14.19
1981	466,061,850	13.03
1980	407,724,361	11.48

+ Adjusted to reflect stock split

Income Account *

Year ended	7/28/84	7/30/83
Net sales & oper. revenues	$2,622,484,000	$2,325,044,000
Cost of sales	1,850,179,000	1,668,195,000
Expenses	601,608,000	519,031,000
Interest expense	16,337,000	7,634,000
Income before taxes	$ 154,360,000	$ 130,184,000
Income taxes	68,986,000	58,453,000
Net Income	$ 85,374,000	$ 71,731,000

* Included in Costs and Expenses, Depreciation: $37,104,000 in 1984 and $30,352,000 in 1983.

Assets

As of	7/28/84	7/30/83
Cash & short-term invest.	$ 21,500,000	$ 2,194,000
Receiv., net	94,250,000	76,024,000
*Inventories	586,347,000	442,878,000
Prepaid expenses	9,093,000	8,448,000
Current Assets	$ 711,190,000	$ 529,544,000
#Fixed assets	308,590,000	264,118,000
Other assets & defer. charges	12,275,000	10,626,000
Intangibles	59,637,000	60,597,000
Total Assets	$1,091,692,000	$ 864,885,000

Liabilities

Long-term debt, curr.	$ 1,489,000	$ 1,678,000
Notes payable	97,971,000	71,199,000
Accts. payable	163,695,000	131,449,000
Accruals	66,178,000	49,846,000
Income taxes	17,214,000	9,162,000
Defer. inc. taxes	11,667,000	7,959,000
Curr. Liabilities	$ 358,214,000	$ 271,293,000
Long-term debt	94,843,000	11,133,000
Deferred inc. taxes	19,823,000	14,167,000
+ Common stock	3,757,000	3,746,000
Add. paid-in capital	110,867,000	108,971,000
Retained earnings	504,188,000	455,575,000
Total Liabilities & Shareholders' Equity	$1,091,692,000	$ 864,885,000

* At LIFO
# Less accumulated depreciation
+ $0.10 par value

Statistical Summary

% Income bef. Taxes to Sales	5.89	5.59
% Net Income to Sales	3.26	3.08
% Net Income to Equity	13.80	12.62
Working Capital	$352,976,000	$258,251,000
Current Ratio	1.99	1.95
Shareholders' Equity	$618,812,000	$568,292,000

Jacobson Stores Inc.

1200 North West Avenue
Jackson, Michigan 49202
(517) 787-3600

Officers: J.R. Fowler, chairman of the board & chief executive officer; Mark K. Rosenfeld, president; Nathan Forman, sr. v.p.-apparel merchandising; Wayne C. Gardner, v.p.-personnel; Paul W. Gilbert, sr. v.p. & chief financial officer; John F. Rickerby, srv. v.p.-stores; Donald Hathaway, v.p.-store group mgr.; Alan J. Herman, v.p.-electronic data processing; Keith K. Houck, v.p.-store planning; George E. McGlinnen, v.p.-home furnishings merchandising; Robert L. Moles, v.p.-operations; David Boxer, v.p. Jacobson Stores Realty Company; Irma J. Nicholson, v.p.-sales promotion; Floyd H. Pond, v.p. & store group manager; Joseph Fisher, v.p. & gen. mdse. mgr.; Alan M. Mandel, v.p. & store group mgr.; Timothy J. Spalding, controller; Robert L. Emmet, James B. Fowler, Louis M. Landman, Mary Lowey, Kay Todd, v.p.'s & divisional merchandise managers; Richard Z. Rosenfeld, secretary; Robert M. Eaton, v.p. & treasurer; Frank W. Hones, asst. treasurer & asst. secretary

Directors: J.R. Fowler*, chairman; Herbert S. Amster, Frank Couzens, Jr., Raymond C. Fitzgerald, Edwin I. Goldring, Richard Z. Rosenfeld*, Robert L. Rosenfeld, Mark K. Rosenfeld*, Herman S. Kohlmeyer, Jr., Travis W. Pearse, Patricia Shontz Longe

* Member of the Executive Committee

Business Activities: Owns and operates apparel stores and home furnishings stores in Michigan, Ohio and Florida.

Jacobson Stores Inc.

Subsidiaries:

Jacobson Credit Corp
1200 North West Avenue
Jackson, Michigan 49202
(517) 787-3600

Jacobson Stores Realty Company
1200 North West Avenue
Jackson, Michigan 49202
(517) 787-3600

Transfer Agent(s):

Manufacturers National Bank of Detroit
Detroit, Michigan

Stock Exchange(s): Over the Counter

Ticker Symbol: JCBS (NASDAQ)

Number of Stores: (at fiscal year end)

1984	20	1981	17
1983	19	1980	18
1982	17		

Sales and Earnings ‡

	Net Sales †	Net Income
1984	$ 240,689,000	$ 5,431,000
1983	213,048,000	4,355,000
1982*	189,277,000	1,759,000
1981	175,660,000	1,377,000
1980	169,318,000	2,096,000

	No. of Com. Shares #	Earn. per Share #
1984	2,156,400	$ 2.52
1983	2,081,372	2.08
1982*	1,942,332	0.90
1981	1,934,332	0.71
1980	1,928,032	1.07

* 53 weeks
‡ Restated to reflect change in fiscal year end
† Including leased departments
# Based on the weighted average number of common shares outstanding adjusted to reflect stock split

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.3000		2 for 1
1983	0.2875		
1982	0.2500		
1981	0.2375		
1980	0.2300		

× Adjusted to reflect stock split

Common Stock Equity ×

	Total Equity ‡	Equity Per Share
1984	$ 35,662,000	$ 16.77
1983	30,742,000	14.73
1982	24,950,000	12.81
1981	23,675,000	12.20

× Restated
‡ After allowing for preferred stock at par value

Income Account *
(000's)

Year ended		1/26/85		1/28/84 ‡
Net sales	$	240,689	$	213,048
Cost of sales		143,068		124,240
General & administrative expenses		81,185		74,258
Interest expense		6,855		6,694
Income before taxes	$	9,581	$	7,856
Income taxes		4,150		3,501
Net Income	$	5,431	$	4,355

* Included in Costs and Expenses: Depreciation and Amortization: $4,259,000 in 1984 and $4,355,000 in 1983
‡ Restated

Assets
(000's)

As of		1/26/85		1/28/84 ‡
Cash	$	3,463	$	5,307
Receiv., net		27,239		19,136
*Inventories		42,081		40,327
Prepaid expenses & other assets		1,027		1,154
Current Assets	$	73,810	$	65,924
#Fixed assets		47,426		46,654
Eq. in fin. subsid.		5,488		4,992
Other assets		3,253		3,187
Total Assets	$	129,977	$	120,757

Liabilities
(000's)

Long-term debt, curr.	$	3,175	$	3,101
Accts. payable		16,930		16,654
Accruals		10,112		9,325
Income taxes		2,012		331
Def. inc. taxes		4,684		4,052
Curr. Liabilities	$	36,913	$	33,463
Long-term debt		49,111		48,747
Deferred inc. taxes		2,123		2,192
Advances		5,498		5,004
Other liabilities		670		609
+ Common stock		2,244		2,225
Add. paid-in capital		5,385		5,175
Retained earnings		28,599		24,004
Treasury stock		(566)		(662)
Total Liabilities & Shareholders' Equity	$	129,977	$	120,757

‡ Restated
* At cost (LIFO) using retail inventory method
# Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

% Income bef. Taxes to Sales	3.98	3.69
% Net Income to Sales	2.26	2.04
% Net Income to Equity	15.23	14.17
Sales to Inventories	5.72	5.28
Working Capital	$36,897,000	$32,461,000
Current Ratio	2.00	1.97
Shareholders' Equity	$35,662,000	$30,742,000

Jamesway Corporation

40 Hartz Way
Secaucus, New Jersey 07094
(201) 330-6000

Officers: Herbert Fisher, chairman & chief executive officer; Arlie G. Lazarus, president & chief operating officer; Joseph Radecki, sr. v.p.-store operations; John Stanhope, sr. v.p.-company operations; Eric Zorn, sr. v.p.-administration; Angelo Bianco, v.p.-merchandising; Jack Cotrineo, v.p.-warehousing; Thomas Draves, v.p.-merchandising; Gerald R. Fitzgerald, v.p.-personnel; Murray Kaplan, v.p.-advertising; Thomas Kiley, v.p.-merchandising; Andrew D. Loconti, v.p.-real estate; David Owens, v.p.-management information systems; Alfred Petrillo, v.p.-store planning & construction; Kevin Regan, sr. v.p.-finance & treasurer; Victor Scire, v.p.-sales promotion; Kenneth Simon, v.p.-new store development; Monroe J. Simon, v.p.-human resources; Howard J. Blaugrund, secretary; Joseph Ettore, v.p. & gen. mdse. mgr.-softlines; Gary Boetes, v.p.-merchandising; Joseph Piserchia, v.p.-inventory control; Arnold Dunn, treasurer; Gary Kauffman, controller

Directors: Herbert Fisher*, chairman; Howard J. Blaugrund; Lee M. Bronster*; Kenneth Kwit; Arlie G. Lazarus*; Andrew D. Loconti*; Robert S. Bargar; Mortimer Steinberg; Brendan Byrne; Abraham Temkin

* Member of the Executive Committee

Business Activities: Operates a chain of discount department stores in New Jersey, New York, Pennsylvania, and Virginia.

Subsidiaries:

Horizon Advertising Agency, Inc.

Route 197 Realty Co.

Omnia Protective Services, Inc.

Hardware Distributors, Inc.

J.M.Y. Portraits Inc.

all at:

40 Hartz Way
Secaucus, New Jersey 07094
(201) 348-8200

Transfer Agent(s):

Midlantic National Bank
Metro Park Plaza
P.O. Box 600
Edison, New Jersey 08818

Stock Exchange(s): New York

Ticker Symbol: JMY

Number of Stores: (at fiscal year end)

1984	87	1981	64
1983	78	1980	60
1982	68		

Sales and Earnings

	Net Sales	Net Income
1984*	$ 475,406,000	$ 13,264,000
1983	416,773,000	11,509,000
1982	332,513,000	6,753,000
1981	296,165,000	4,215,000
1980	273,260,000	3,868,000

	No. of Com. Shares	Earn. per Share ‡
1984*	6,766,402	$ 2.18
1983	5,612,284	2.00
1982	5,462,346	1.24
1981	5,298,044	0.77
1980	5,433,726	0.69

* 53 weeks
‡ Based on the weighted average number of common shares and common share equivalents outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.10	—	—
1983	0.09	—	—
1982	0.06	—	—
1981	0.06	—	—
1980	0.06	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 88,370,000	$ 13.06
1983	63,497,000	11.31
1982	50,871,000	9.31
1981	43,595,000	8.23
1980	40,440,000	7.44

Income Account
(000's)

Year ended		2/2/85 (53 weeks)		1/28/84
Net sales	$	475,406	$	416,773
Other income		6,422		5,593
Total Income	$	481,828	$	422,366
Cost of sales		327,766		285,942
Expenses		119,004		105,566
Depreciation & amortization		6,445		5,405
Interest expense		3,960		4,380
Income before taxes	$	24,653	$	21,073
Income taxes		11,389		9,564
Net Income	$	13,264	$	11,509

Assets
(000's)

As of		2/2/85		1/28/84
Cash & cash equip.	$	9,779	$	12,554
Receiv., net		3,353		3,353
*Inventories		101,927		85,100
Prepaid expenses & other curr. assets		4,450		3,121
Current Assets	$	119,509	$	104,128
#Fixed assets		45,486		36,631
Leased prop. under cap. leases		7,818		6,600
Other assets		5,418		6,156
Total Assets	$	178,231	$	153,515

Liabilities
(000's)

Long-term debt, curr.	$	1,823	$	863
Cap. lease oblig., curr.		403		353
Accts. payable		26,665		23,198
Accruals		8,917		9,503
Income & other taxes		7,901		6,170
Curr. Liabilities	$	45,709	$	40,087
Long-term debt		27,307		36,762
Deferred inc. taxes		7,499		5,035
Cap. lease oblig.		9,346		8,134
+ Common stock		7,321		6,063
Add. paid-in capital		21,791		9,208
Retained earnings		62,436		49,760
Treasury stock		(3,178)		(1,534)
Total Liabilities & Shareholders' Equity	$	178,231	$	153,515

* At lower of average cost (LIFO) or market
# Less accumulated depreciation
+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	5.19	5.06
%Net Income to Sales	2.79	2.76
%Net Income to Equity	15.01	18.13
Sales to Inventories	4.66	4.90
Working Capital	$73,800,000	$64,041,000
Current Ratio	2.61	2.60
Shareholders' Equity	$88,370,000	$63,497,000

Jetronic Industries, Inc.

Main and Cotton Streets
Philadelphia, Pennsylvania 19127
(215) 482-7660

Officers: Daniel R. Kursman, president and treasurer; Jerome I. Kursman, vice president and secretary; Garth E. Bower, group vice president; Leonard W. Pietrzak, vice president-finance; Marvin Levin, v.p.-retailing; Peter S. Kurseman, v.p.

Directors: Daniel R. Kursman, chairman; Jerome I. Kursman, Garth E. Bower, Herbert Myers, Les Vizak, Marvin Levin, William L. Weiss, Peter Kursman, David Silverman

Business Activities: Operates furniture and appliance stores in Philadelphia under the names of "Levin" and "Sulkes." Also operates "Bond Radio" stores in Reading, Pennsylvania. Other activities include: design and manufacture of electronic communication and navigation systems. The company also produces narrow tapes, shock cord, industrial straps, and related items.

Retail Division:

Harry Levin, Inc.
Engaged in the retail sale and servicing of furniture, appliances, home furnishings and related items in Pennsylvania locations.

MMOS Inc.
Engaged in the retail sale of marine accessories throughout Canada and in the U.S. Great Lakes area.

Transfer Agent(s):

Continental Stock Transfer Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: JET

Number of Stores: (at fiscal year end)

1984	N.A.	1981	5
1983	9	1980	4
1982	5		

N.A.-Not Available

Sales and Earnings

		Revenues (000's)		Net Income † (000's)
1985	$	40,817	$	1,091
1984		36,468		641
1983		32,942		690
1982		30,793		(642)
1981		30,591		(436)

	No. of Com. Shares ‡	Earn. per Share ‡ †
1985	1,974,000	$ 0.55
1984	1,877,000	0.34
1983	1,803,000	0.38
1982	1,808,000	
1981	1,811,000	

(Loss)
† Including extraordinary gain of $280,000 ($0.15 per share) in 1983.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues By Line of Business
(000's)

		1985		1984
Jetronic:				
Electronic communication & navigation equipment	$	9,717	$	7,530
Circuit boards & instrumentation systems		7,081		6,015
The Levin Group:				
Retail furniture & appliances		18,329		17,581
Narrow fabrics & tapes		5,690		5,342
Total	$	40,817	$	36,468

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	—	10%	
1984	—	10%	

Common Stock Equity

		Total Equity	Equity Per Share +
1985	$	9,598,000	$ 4.86
1984		8,227,000	4.38
1983		7,509,000	4.16
1982		6,819,300	3.77
1981		7,461,200	4.12

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *

Year ended Jan. 31		1985		1984
Net sales	$	39,624,000	$	35,241,000
Other income		1,193,000		1,227,000
Total income	$	40,817,000	$	36,468,000
Cost of sales		26,194,000		23,650,000
Expenses		10,910,000		10,082,000
Interest expense		1,503,000		1,473,000
Income before taxes	$	2,210,000	$	1,263,000
Income taxes		1,129,000		622,000
Minority interest		(10,000)		—
Net Income	$	1,091,000	$	641,000

* Included in Costs and Expenses, Depreciation and Amortization: $395,000 in 1985 and $346,000 in 1984.

Assets

As of Jan. 31		1985		1984
Cash	$	933,000	$	690,000
Accts. receiv., net		11,924,000		12,041,000
*Inventories		11,999,000		7,992,000
Deferred inc. taxes		—		192,000
Prepaid expenses		781,000		743,000
Current Assets	$	25,637,000	$	21,658,000
# Fixed assets		2,132,000		1,721,000
Goodwill		1,628,000		1,573,000
Other assets		397,000		225,000
Total Assets	$	29,794,000	$	25,177,000

Liabilities

Notes payable	$	9,589,000	$	9,786,000
Long-term debt, curr.		548,000		898,000
Accts. payable		1,809,000		1,125,000
Accrued payroll		553,000		467,000
Other accruals		3,210,000		3,418,000
Def. inc. taxes		509,000		—
Curr. Liabilities	$	16,218,000	$	15,694,000
Long-term debt		3,886,000		1,256,000
+ Common stock		203,000		167,000
Add. paid-in capital		5,849,000		4,357,000
Retained earnings		3,854,000		3,703,000
Treasury stock		(308,000)		—
Total Liabilities & Shareholders' Equity	$	29,794,000	$	25,177,000

* At lower of cost (LIFO) or market, inventories of narrow fabrics and tape stated at FIFO.
# Less accumulated depreciation and amortization
+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Sales	5.58	3.58
%Net Income to Sales	2.75	1.82
%Net Income to Equity	11.37	7.79
Sales to Inventories	3.30	4.41
Working Capital	$9,419,000	$5,964,000
Current Ratio	1.58	1.38
Shareholders' Equity	$9,598,000	$8,227,000

Jewelcor Incorporated

72 North Franklin Street
Wilkes-Barre, Pennsylvania 18773
(717) 824-8761

Officers: Seymour Holtzman, president & chief exec. officer; Frank P. Cuscela, executive v.p. & secretary; Joseph F. Litchman, sr. v.p., chief financial officer, treasurer & asst. secretary; Raymond Perlman, sr. v.p.-jewelry division; Earl Zimbler, v.p.-marketing; Harvey D. Mitnick, v.p., corporate counsel & asst. secretary; Eugene M. Rich, controller.

Directors: Irving M. Baron, Fletcher C. Booker, Jr., Barry C. Boyer, Frank P. Cuscela, Seymour Holtzman, Jerome Goldstein, Joseph F. Litchman, Eugene Roth, Joseph J. Stuccio.

Business Activities: Sells jewelry and general merchandise at catalog showrooms, and publishes merchandise catalogs; distributes name-brand watches, engages in high-speed commercial printing and related activities in the graphic arts, and operates family restaurant entertainment centers.

Jewelcor Incorporated

Subsidiaries:

Robert Tabakow, Inc
Sells watches at wholesale to retail chain and department stores

Suburban Publisher
Exeter, Pennsylvania
Graphic arts, printing and binding

S.A. Peck & Co
Chicago, Illinois
Engaged in the showroom and mail order catalog sale of jewelry

Robert M. Glass Co.
Los Angeles, California
Operates jewelry catalog showrooms and mail order

Jewelcor Merchandising Company
Wilkes-Barre, Pennsylvania
Publishes an annual full color jewelry and merchandise catalog and various promotional flyers for use by the Company's and independent showroom operators

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): New York

Ticker Symbol: JC

Number of Retail Stores: (at fiscal year end)

1983	24	1981	26
1982	23	1980	26

Sales and Earnings

	Net Sales +	Net Income
1983	$ 195,735,000	$ 1,255,000
1982	182,092,000	51,000
1981	165,315,000	471,000
1980	167,604,000	(562,000)
1979	162,194,000	1,152,000

	No. of Com Shares †	Earn. per Share †
1983	2,858,376	$ 0.44
1982	2,858,159	0.02
1981	2,854,595	0.17
1980	2,834,442	—
1979	2,821,296	0.41

(Loss)
+ Of continuing operations only
† Based on the weighted average number of common shares and common share equivalents outstanding

Revenues By Line of Business

	1983	1982
Catalogue	$ 128,975,000	$ 136,286,000
Jewelry	45,270,000	28,018,000
Graphic Arts	18,666,000	16,055,000
Family restaurant entertainment	2,824,000	1,733,000
Total	$ 195,735,000	$ 182,092,000

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 39,755,000	$ 13.91
1982	38,806,000	13.58
1981	38,755,000	13.58
1980	38,089,000	13.44
1979	38,624,000	13.69

Income Account
(000's)

Year ended Jan. 31	1984	1983
Net sales	$ 195,735	$ 182,092
Cost of sales	146,163	137,764
Expenses	37,848	34,638
Depreciation & amortization	3,531	2,849
Interest expense	5,268	5,257
Other expense (income)	51	(349)
Income before taxes	$ 2,874	$ 1,933
Income taxes	1,414	810
Inc.-cont. oper.	$ 1,460	$ 1,123
Loss-discont. oper.	(205)	(1,072)
Net Income	$ 1,255	$ 51

Assets
(000's)

As of Jan. 31	1984	1983
Cash	$ 4,508	$ 4,558
Accts. receiv., net	11,859	9,604
*Inventories	49,299	47,964
Prepaid expenses	2,077	2,333
Prepaid inc. taxes	—	292
Deferred inc. taxes	340	—
Assets of discont. oper.	187	2,434
Current Assets	$ 68,270	$ 67,185
#Fixed assets	28,974	30,245
Other assets	2,073	2,011
Intangibles	—	718
Total Assets	$ 99,317	$ 100,159

Liabilities
(000's)

	1984	1983
Long-term debt, curr.	$ 2,273	$ 3,662
Oblig. under cap leases, curr.	580	535
Banker's acceptances	1,880	2,260
Trade payables	25,306	22,882
Accruals	4,844	3,263
Income taxes payable	1,171	170
Deferred inc. taxes	—	204
Curr. Liabilities	$ 36,054	$ 32,976
Long-term debt	16,343	20,629
Negative goodwill	471	—
Oblig. under cap. leases	4,432	4,765
Deferred inc. taxes	2,262	2,983
+ Common stock	148	147
Add. paid-in capital	19,828	19,805
Retained earnings	20,451	19,196
Treasury stock	(672)	(342)
Total Liabilities & Shareholders' Equity	$ 99,317	$ 100,159

* At lower of cost (FIFO) or market
# Less accumulated depreciation
+ $0.05 par value

Statistical Summary

%Net Income to Equity	3.16	0.13
Sales to Inventories	3.97	3.80
Working Capital	$32,216,000	$34,209,000
Current Ratio	1.89	2.04
Shareholders' Equity	$39,755,000	$38,806,000

John F. Lawhon Furniture Company

1241 West Maricopa Freeway
Phoenix, Arizona 85007
(602) 258-2200

Officers: Leon J. Levitz, chairman of the board, president & chief executive officer; Donald J. Stombres, exec. v.p.; Ralph Marsh, v.p.-chief financial officer and treasurer; Fred Berk, v.p.-marketing; Eric Citron, v.p. and divisional manager-W & J Sloane East; Pat Bruno, v.p. and divisional marketing director, W & J Sloane East; Michael J. Goodman, v.p. and divisional general manager-W & J Sloane West; Ted Hopson, v.p.-merchandising; Robert Corry, asst. v.p.-operations; Michaes J. Fortwengler, controller & secretary

Directors: Leon Levitz, Arnold A. Smith, Gary R. Levitz

Business Activities: The Company retails a broad range of furniture and home furnishings and accessories using the "warehouse-showroom" concept. The company operates nine outlets, in five states: Oklahoma, Tennessee, Missouri, Louisiana and Arizona

Subsidiaries:

Art Dimension Concessions, Inc
7283 Bellaire Avenue
North Hollywood, California

Acquisition(s):

RBI-WJS Corporation
The company is engaged in the retail sale of home furniture and furnishings through five outlets in the NYC metropolitan area under the names "W & J Sloane" and "W & J Sloane Clearance Centers"

Furniture Palace Inc
The company is engaged in the furniture and home furnishings business through the operation of two retail furniture outlets in San Antonio, Texas

Frankart
The company is engaged in the furniture business through ten retail outlets in the New York City metropolitan area

Transfer Agent(s):

Fourth National Bank & Trust Company of Tulsa
Tulsa, Oklahoma

Stock Exchange(s): Over-the-Counter

Ticker Symbol: LAWH (NASDAQ)

Number of Stores: (at fiscal year end)

1984	N.A.	1981	5
1983	9	1980	10
1982	9		

N.A. Not Available

Sales and Earnings

	Net Sales	Net Income ‡
1985	$ 45,576,236	$ (1,361,548)
1984	29,634,228	(2,522,405)
1983	26,644,450	(1,103,922)
1982	24,066,441	3,437,833
1981	45,526,488	(6,139,279)

	No. of Com Shares	Earn. per Share ‡
1985	7,427,267	$ —
1984	6,829,706	—
1983	2,920,314	—
1982	2,920,314	0.67
1981	2,920,314	—

(Loss)
‡ Including extraordinary gain of $3,342,014 ($0.64 per share) in 1982

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ (147,434)‡	$ —
1984	(580,401) ‡	—
1983	1,025,129	0.35
1982	2,129,051	0.73
1981	(1,308,782)	—

(Deficiency)
‡ After allowing for preferred stock at liquidation value

Income Account *

Year ended Jan. 31	1984	1983
Net sales	$ 45,576,236	$ 29,634,228
Cost of sales	25,656,296	17,595,609
Expenses	20,057,284	13,879,306
Interest expense	857,771	352,238
Prov. for store clos.	—	329,480
Loss-cont. oper.	$ (995,115)	$ (2,522,405)
Loss-discont. oper.	(366,433)	—
Net Loss	$ (1,361,548)	$ (2,522,405)

* Included in Costs and Expenses, Depreciation and Amortization: $736,449 in 1984 and $390,326 in 1983.

Assets

As of Jan. 31	1984	1983
Cash	$ 940,316	$ 425,670
Comm. paper	—	417,809
Receivable from issuance of pref. stock	—	1,000,000
Accts. receiv., net	1,901,981	462,324
*Inventories	12,262,875	5,035,176
Other curr. assets	584,415	242,417
Curr. Assets	$ 15,689,587	$ 7,583,396
#Fixed assets	16,906,879	3,322,844
Assets of discont. oper.	1,722,036	—
Other assets	1,415,772	351,034
Total Assets	$ 35,734,274	$ 11,257,274

Liabilities

Long-term debt, curr.	$ 1,060,978	$ 150,301
Accts. payable	10,757,256	3,826,842
Accruals	1,712,342	633,514
Accrued acq. costs	1,079,513	—
Est. store clos. exp.	45,390	357,554
Advance from stockholder	—	710,000
Curr. Liabilities	$ 14,655,479	$ 5,678,211
Long-term debt	13,942,841	3,159,464
Redeem. common stock	4,283,388	—
+ Preferred stock	3,000,000	1,000,000
+ + Common stock	374,588	341,485
Add. paid-in capital	6,963,724	5,082,712
Deficit	(7,294,271)	(6,004,598)
Treasury stock	(191,475)	—
Total Liabilities & Shareholders' Equity	$ 35,734,274	$ 11,257,274

* At lower of cost (specific identification) or market
# Less accumulated depreciation and amortization
+ $1 par value. Convertible
+ + $0.05 par value

Statistical Summary

Sales to Inventories	3.72	5.89
Working Capital	$1,034,108	$1,905,185
Current Ratio	1.07	1.34
Shareholders' Equity	$2,852,566	$2,419,599

Judy's Inc.

7710 Haskell Avenue
Van Nuys, California 91406
(818) 787-0900

Officers: Lawrence Israel, chairman of the board & treasurer; Marcia Israel, president & chief executive officer; Betty Gourley, v.p. Judy's Own Label; Ben Sumner, v.p. finance/operations & secretary; Ronald Goldstein, v.p. operations; Irene Satz, v.p. fashion direction; Andrew Asch, v.p. merchandising

Directors: Lawrence Israel, chairman; Marcia Israel, Preston Kline, Ben Sumner, Herbert Kern, Jack D. Steele

Business Activities: Operates a chain of retail apparel stores designed to appeal to young men and women. Also operates 19 separate men's apparel stores under the name G.Hq. These stores are located in California, Nevada, Texas, Arizona and New Mexico.

Transfer Agent(s):

Bank of America
National Trust & Savings Association
P.O. Box 37002
San Francisco, California 94137

Stock Exchange(s): Over the Counter

Ticker Symbol: JUDY (NASDAQ)

Number of Stores: (at fiscal year end)

1985	85	1982	72
1984	78	1981	61
1983	74		

Sales and Earnings

	Net Sales	Net Income
1985	$ 50,493,000	$ 1,017,000
1984	46,667,000	1,525,000
1983	39,593,000	(381,000)
1982	49,571,000	725,000
1981	41,843,000	1,341,000

	No. of Com. Shares ‡	Earn. per Share ‡
1985	2,259,000	$ 0.45
1984	2,256,000	0.68
1983	2,242,000	—
1982	2,237,000	0.32
1981	2,237,000	0.60

(Loss)
‡ Based on the weighted average number of shares outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.12		
1984	0.12		
1983	0.12		
1982	0.12		
1981	0.08		

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 15,247,000	$ 6.75
1984	14,501,000	6.43
1983	13,176,000	5.88
1982	13,824,000	6.18
1981	13,359,000	5.97

‡ Based on the weighted average number of shares outstanding

Income Account *

Year ended Jan. 31	1985	1984
Net sales	$ 50,493,000	$ 46,667,000
Cost of sales	34,296,000	30,695,000
Expenses	14,323,000	13,041,000
Interest expense	48,000	52,000
Income bef. taxes	$ 1,826,000	$ 2,879,000
Income taxes	809,000	1,354,000
Net Income	$ 1,017,000	$ 1,525,000

* Included in Costs and Expenses: Depreciation and Amortization $1,237,000 in 1985 and $1,156,000 in 1984.

Assets

As of Jan. 31	1985	1984
Cash	$ 42,000	$ 1,671,000
Cash in trust	1,109,000	1,000,000
Accts. receiv., net	271,000	365,000
*Inventories	8,731,000	6,717,000
Prepaid expenses	603,000	331,000
Current Assets	$ 10,756,000	$ 10,084,000
#Fixed assets	9,206,000	7,958,000
Other assets	2,275,000	2,271,000
Total Assets	$ 22,237,000	$ 20,313,000

Liabilities

Payable to bank	$ 400,000	$ —
Long-term debt, curr.	26,000	24,000
Acct. payable	3,266,000	2,575,000
Dividends pay.	68,000	68,000
Accruals	1,137,000	966,000
Inc. taxes	272,000	569,000
Curr. Liabilities	$ 5,169,000	$ 4,202,000
Long-term debt	562,000	588,000
Deferred inc. taxes	1,259,000	1,022,000
+ Common stock	1,130,000	1,130,000
Add. paid-in capital	2,961,000	2,961,000
Retained earnings	11,156,000	10,410,000
Total Liabilities & Shareholders' Equity	$ 22,237,000	$ 20,313,000

*At lower of cost (FIFO) or market, determined by the retail inventory method
# Less accumulated depreciation and amortization
+ $0.50 par value

Statistical Summary

%Income bef. Taxes to Sales	3.62	6.17
%Net Income to Sales	2.01	3.27
%Net Income to Equity	6.67	10.52
Sales to Inventories	5.78	6.95
Working Capital	$ 5,587,000	$ 5,882,000
Current Ratio	2.08	2.40
Shareholders' Equity	$15,247,000	$14,501,000

Jupiter Industries, Inc.

400 East Randolph Street
Chicago, Illinois 60601
(312) 527-2000

Officers: Jerrold Wexler, chairman of the board; Edward W. Ross, president; Philip Rootberg, v.p. corp. development; Elmer R. Bruksch, J. Inman Kidd, Jerry Margolis, Donald A. Smith, C.H. Jamison, Ira A. Kipnis, James V. Scattergood, vice presidents; Fred J. P. Dunne, v.p. & treasurer; Sheldon O. Collen, secretary; Kenneth A. Royse, asst. treasurer; Robert M. Green, Thomas J. Waters, asst. secretaries

Directors: Jerrold Wexler, chairman; Edward W. Ross, Leonard W. Golan, Philip Rootberg, Elmer R. Bruksch, Irving J. Markin, Victor Nemeroff, C.H. Jamison, Howard R. Koven, Jay J. Strauss

Divisions and Subsidiaries:

Federal Bake Shops, Inc. (Retail Division)
Oak Park, Illinois

Operates 14 bakeries that bake goods on the premises and sell at retail and two additional retail branches served from two of these bakeries.

Real Estate Division
Chicago, Illinois

Real estate development

Gas Gathering, Oil & Gas Division
Chicago, Illinois

Operates a gas gathering system serving the Rollover Field in the Gulf of Mexico and a processing plant at Lake Arthur, Louisiana.

Testor Corporation (Consumer Products Division)
Rockford, Illinois

Manufactures hobby and household products including decorative and hobby enamel paints, cements and glues; also produces model airplane engines, polyethylene toys, etc.

Kenosha Auto Transport Corporation
(Transportation Division)

Dallas & Mavis Forwarding Co., Inc.
(Transportation Division)
Kenosha, Wisconsin

Involved in transporting heavy equipment in addition to automobiles, trucks and recreational vehicles.

Economy Mechanical Industries, Inc.
(Construction Division)
Wheeling, Illinois

Engaged in the construction, installation and design of plumbing, automatic fire protection, heating, air conditioning, ventilation, and process piping systems for commercial, industrial, institutional and high-rise residential buildings.

Colony Press, Inc. (Graphic Arts Division)
Wilmette, Illinois

Creates and produces full color materials for direct-response advertising.

Chattanooga Gas Company (Utility Division)
Chattanooga, Tennessee

Engaged in the purchase, distribution and retail sale of natural gas in Chattanooga, Tennessee and its environs.

Transfer Agent(s):

The First National Bank of Chicago
Chicago, Illinois

Stock Exchange(s): American

Ticker Symbol: JUP

Number of Stores: (at fiscal year end)

1984	7	1982	14
1983	N.A.	1981	13

N.A. Not Available

Sales and Earnings

	Revenues (000's)	Net Income (000's)
1984	$ 285,936	$ 3,896
1983	229,579	3,941
1982	270,261	538
1981	274,661	1,572
1980	252,256	1,127

	No. of Com. Shares †	Earn. per Share †
1984	932,210	$ 4.18
1983	961,104	4.10
1982	1,033,506	0.52
1981	1,048,127	1.50
1980	1,052,064	1.07

† Based on the average number of shares outstanding

Revenues By Line of Business

	1984	1983
Transportation	$ 127,462,000	$ 90,898,000
Construction	69,795,000	53,139,000
Real Estate	5,446,000	1,602,000
Utility	76,087,000	78,647,000
Other	6,390,000	5,299,000
Eq. in inc. (loss) of affiliates	756,000	(6,000)
Total	$ 285,936,000	$ 229,579,000

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 28,105,000	$ 30.15
1983	25,185,000	26.20
1982	22,325,000	21.60
1981	21,934,000	20.93
1980	20,626,000	19.61

‡ Based on the average number of shares outstanding.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Revenues	$ 285,936	$ 229,579
Cost of sales	239,611	195,860
Expenses	26,767	22,770
Depreciation, depletion & amortization	6,506	5,592
Interest expense	5,318	3,300
Other charges	110	81
Income before taxes	$ 7,624	$ 1,976
Income taxes	3,728	576
Inc.-cont. oper.	$ 3,896	$ 1,400
Inc.-discont. oper.	—	2,541
Net Income	$ 3,896	$ 3,941

Assets
(000's)

As of Dec. 31	1984	1983
Cash & marketable securities	$ 17,953	$ 15,182
Accts. payable & accruals	22,194	25,618
Other receiv.	14,335	9,713
*Inventories	2,300	2,072
Prepaid expenses	2,177	2,089
Current Assets	$ 58,959	$ 54,674
Investments & other assets	11,012	12,039
#Fixed assets	45,159	57,124
Total Assets	$ 115,130	$ 123,837

Liabilities
(000's)

	1984	1983
Notes payable	$ 808	$ 584
Long-term debt, curr.	3,189	4,050
Accts. payable & accruals	35,594	34,748
Deferred inc. taxes	3,097	2,967
Curr. Liabilities	$ 42,688	$ 42,349
Long-term debt	21,018	37,811
Deferred items	22,228	16,991
Minority interest	1,091	1,501
+ Common stock	993	993
Add. paid-in capital	2,014	2,014
Retained earnings	30,121	26,225
Treasury stock	(5,023)	(4,047)
Total Liabilities & Shareholders' Equity	$ 115,130	$ 123,837

* At lower of cost (FIFO) or market
# Less accumulated depreciation, depletion and amortization
+ $0.75 par value

Statistical Summary

	1984	1983
% Income bef. Taxes to Revenues	2.67	0.86
% Net Income to Revenues	1.36	1.72
% Net Income to Equity	13.86	15.65
Working Capital	$16,271,000	$12,325,000
Current Ratio	1.38	1.29
Shareholders' Equity	$28,105,000	$25,185,000

Jurgensen's

474 South Raymond
Pasadena, California 91109
(213) 795-4291

Officers: Harold S. Jurgensen, chairman and president; Paul D. Neumeyer, v.p., secretary-treasurer; William H. Richards, v.p. & controller.

Directors: Harold S. Jurgensen, chairman; John Maechling, George Fry, Jr., Stanley Hahn, William H. Richards, Paul D. Neumeyer, Elmer G. Sammann, Robert W. Jurgensen.

Business Activities: Operates a chain of premium quality, full service food and beverage stores in California, selling typical market merchandise as well as wines, imported and domestic delicacies, gifts and accessories.

Transfer Agent(s):

First Interstate Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: JURG (NASDAQ)

Number of Stores: (at fiscal year end)

1984	11	1981	12
1983	11	1980	12
1982	12		

Sales and Earnings

	Net Sales	Net Income #
1984	$ 12,986,692	$ (397,124)
1983	13,449,570	(171,983)
1982	14,768,798	157,305
1981	14,883,966	234,493
1980	15,429,797	325,585

	No. of Com. Shares	Earn. per Share ‡ #
1984	365,476	$ —
1983	365,476	—
1982	365,476	0.34
1981	396,790	0.52
1980	431,790	0.69

(Loss)
‡ Based on the weighted average number of shares outstanding.
# Including extraordinary loss of $2,565 ($0.01 per share) in 1983 and extraordinary gain of $38,233 ($0.10 per share) in 1982.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	0.10	—	—
1982	0.20	—	—
1981	0.20	—	—
1980	0.20	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 2,545,261	$ 6.96
1983	2,965,766	8.11
1982	3,198,730	8.75
1981	3,208,481	8.09
1980	3,194,716	7.40

‡ After allowing for preferred stock at par value of $25 per share.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 12,986,692	$ 13,449,570
Cost of sales	6,321,789	6,312,326
Expenses	6,999,115	7,307,087
Oper. loss	$ (334,212)	$ (169,843)
Interest expense	188,290	190,616
Interest income	(20,931)	(20,176)
Misc. exp.	1,080	20,587
Misc. gains	(6,405)	(24,694)
Loss bef. taxes	$ (496,246)	$ (336,176)
Tax credit	(99,122)	(166,758)
Net Loss	$ (397,124)	$ (169,418)
Extraord. loss	—	(2,565)
Net Loss & extraord. loss	$ (397,124)	$ (171,983)

* Included in Cost and Expenses, Depreciation: $220,276 in 1984 and $221,203 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 46,223	$ 51,518
Accts. receiv., net	655,544	673,161
Tax refund	91,213	176,528
Notes receiv., & advances	20,449	21,615
*Inventories	2,648,375	2,616,537
Prepaid expenses	129,218	159,184
Current Assets	$ 3,591,022	$ 3,698,543
#Fixed assets	1,464,605	1,618,148
Other assets	432,433	454,361
Total Assets	$ 5,488,060	$ 5,771,052

Liabilities

Notes payable & long-term debt, curr	$ 141,666	$ 190,426
Accts payable	520,189	401,486
Accruals	336,270	309,589
Curr Liabilities	$ 998,125	$ 901,501
Long-term debt		
Notes payable	1,114,788	1,015,985
Convert subord debentures	302,900	350,900
Deferred inc taxes	128,368	137,538
Deferred compensation	20,343	9,687
+ Preferred stock	378,275	389,675
+ + Common stock	365,476	365,476
Add paid-in capital	448,603	448,603
Retained earnings	1,731,182	2,151,687
Total Liabilities & Shareholders' Equity	$ 5,488,060	$ 5,771,052

* At lower of cost (FIFO) or market

# Less accumulated depreciation

+ $25 par value; 6% cumulative

+ + $1 par value

Statistical Summary

Sales to Inventories	4.90	5.14
Working Capital	$2,592,897	$2,797,042
Current Ratio	3.60	4.10
Shareholders' Equity	$2,923,536	$3,355,441

K mart Corporation

3100 West Big Beaver Road
Troy, Michigan 48084
(313) 643-1000

Officers: Bernard M Fauber, chairman of the board & chief executive officer; Samuel G Leftwich, vice-chairman; Robert E Dewer, chairman of the executive & finance committees; Grant W Morck, exec v p -new concepts implementation; Norman G Milley, president-K mart stores group; Robert E Brewer, sr v p -finance; Frederick M Stevens, exec v p -specialty retailing; Edward C Andrews, v p -Southern Region; Roger E Davis, v p , general counsel & secretary; Ronald R Dejaeghere, v p -stor planning & design; Gerald R Fletcher, v p -corp info systems; Helen C Lefler, v p & treasurer; Larry M Parkin, sr v p -U S K mart stores; Arthur E Riley, v p -Eastern Region; Harold O Scarlett, v p -construction; Michael L Skiles, v p -corp facilities; A Robert Stevenson, v p -gov't & public relations; Bernard E Thomas, sr v p -personnel & management development; Joseph R Thomas, v p -exec v p & chief administrative officer; David P Walling, v p -corp accounting & reporting; Richard O Williams, v p -Central Region; Joseph E Antonini, sr v p & president-K mart Apparel Corp ; Richard S Miller, sr v p -store operations; Thomas H Nigolian, sr v p & gen mdse mgr ; Glen R Mielke, v p -Southwestern Region; James L Moser, v p -sales & marketing; Anthony J Seitz, v p -Midwestern Region; Thomas W Watkins, v p -Western Region; Michael G Wellman, v p -corp planning

Directors: A.H. Almond*, William H Baldwin*, Mary S Coleman, Dale R Corson, Robert E Dewar*, Bernard M Fauber*, Carl A Gerstacker*, David B Harper, Samuel G Leftwich*, J Edward Lundy, Paul McCracken, Grant W Morck, Norman G Milley, Gloria M Shatto, Robert E Brewer, Larry M Parkin, Frederick M Stevens

* Member of the Executive Committee

Business Activities: Operates a chain of K mart Discount Stores; Kresge Variety Stores and Jupiter Stores, limited-line discount stores in the United States, Canada, and Puerto Rico. K mart Apparel Corp operates ladies ready-to-wear departments and Designer Depot, discount stores that sell men's, women's and children's brand-name clothing. Also operates sporting goods and auto departments in the U.S. K mart Insurance Services, Inc , a wholly-owned insurance subsidiary, underwrites and mass markets life, accident and health and casualty insurance policies; Furr's Cafeterias, Inc., a wholly-owned subsidiary, operates a chain of moderately priced cafeterias in the Southwestern United States; Waldenbooks, a chain of retail book stores; Builders Square, a chain of warehouse home centers; and Pay Less Drug Stores Northwest, a chain of retail drug stores.

Subsidiaries:

K mart Canada Limited
8925 Torbram Street
Brampton, Ontario, Canada M5B 1L3
(416) 366-3771

K mart Apparel Corp
7373 Westside Avenue
North Bergen, New Jersey 07047
(201) 861-9100

K mart Insurance Services, Inc
200 Treadway Plaza
Exchange Park
Dallas, Texas 75245
(214) 351-5361

Furr's Cafeterias, Inc
Lubbock, Texas
Operates a chain of cafeterias in the southwestern United States

Bishop Buffets, Inc
Cedar Rapids, Iowa

Builders Square, Inc
San Antonio, Texas

Pay Less Drug Stores Northwest, Inc
Wilsonville, Oregon

Walden Book Company, Inc
Stamford, Connecticut

Transfer Agent(s):

The National Bank of Detroit
Detroit, Michigan

The First Interstate of California
Los Angeles, California

Stock Exchange(s): New York, Pacific

Ticker Symbol: KG

Number of Stores: (K Mart, Kresge and Jupiter units at fiscal year end)

1985	3,520	1982	2,374
1984	2,547	1981	2,242
1983	2,569		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1985	$ 21,095,900	$ 499,000
1984	18,597,900	492,000
1983	16,772,200	262,000
1982	16,527,012	220,000
1981	14,204,381	261,000

	No of Com Shares	Earn per Share ‡
1985	126,696,293	$ 3.84
1984	125,910,805	3.80
1983	124,494,346	2.06
1982	123,976,386	1.75
1981	123,378,601	2.07

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$1.24	—	—
1984	1.08	—	—
1983	1.00	—	—
1982	0.96	—	—
1981	0.92	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1985	$ 3,233,800	$ 25.52
1984	2,940,100	23.35
1983	2,601,300	20.89
1982	2,455,594	19.81
1981	2,343,172	18.99

Income Account *
(000's)

Year ended	1/30/85	1/25/84
Net sales	$ 21,095,900	$ 18,597,900
Other income	306,000	281,000
Total Income	$ 21,401,900	$ 18,878,900
Cost of sales	15,259,800	13,447,400
Expenses	4,427,700	3,880,100
Advertising	554,400	424,600
Interest expense	340,000	273,100
Income before taxes	$ 820,000	$ 853,700
Income taxes	327,100	366,500
Insurance operations	(6,200)	(5,100)
Net Income	$ 499,100	$ 492,300

* Included in Costs and Expenses, Depreciation and Amortization: $302,900,000 in 1985 and $264,500,000 in 1984

Assets
(000's)

As of	1/30/85	1/25/84
Cash	$ 492,000	$ 1,027,700
Accts receiv , net	179,000	134,800
*Inventories	4,587,800	3,581,600
Prepaid expenses & oper supplies	52,000	44,400
Current Assets	$ 5,310,800	$ 4,788,500
Investments & advances	392,300	340,400
Leased prop under cap leases	3,338,800	2,973,700
Other assets & deferred charges	219,900	80,500
Total Assets	$ 9,261,800	$ 8,183,100

Liabilities
(000's)

Long-term debt, curr	$ 1,900	$ 3,200
Oblig under cap leases, curr	74,100	70,600
Notes payable	234,900	—
Accts payable	1,916,900	1,717,200
Accrued payroll taxes & other liabilities	362,500	328,000
Other taxes	200,000	172,900
Income taxes	98,800	228,900
Current Liabilities	$ 2,889,100	$ 2,520,800
Long-term debt	1,106,900	711,200
Oblig under cap leases	1,780,100	1,822,300
Deferred inc taxes	88,500	60,900
Long term liab	163,400	127,800
+ Common stock	126,700	125,900
Add paid-in capital	313,700	293,400
Retained earnings	2,912,800	2,569,100
For curr trans adj	(68,600)	(48,300)
Total Liabilities & Shareholders' Equity	$ 9,261,800	$ 8,183,100

* At lower of cost or market using the retail method. Domestic inventories at LIFO; foreign at FIFO

# Less accumulated depreciation

+ $1 par value

Statistical Summary

%Income bef Taxes to Sales	3.89	4.59
%Net Income to Sales	2.37	2.65
%Net Income to Equity	15.43	16.74
Sales to Inventories	4.60	5.19
Working Capital	$2,421,700,000	$2,267,700,000
Current Ratio	1.84	1.90
Shareholders' Equity	$3,233,800,000	$2,940,100,000

Kay Corporation

(formerly Kay Jewelry Stores, Inc.)

320 King Street
Alexandria, Virginia 22314
(703) 683-3800

Officers: Anthonie C. van Ekris, pres. & chief exec. officer; Michael R. Lavington, exec. v.p. & president, Kay Jewelers, Inc.; Arie Nugteren, exec. v.p. & pres. Balfour, Maclaine International Ltd.; John C. Belknap, v.p. & chief financial officer; Murray Ackerman, treasurer & secretary; Russell Diaz, controller & principal accounting officer; Allana Sears, asst. secretary

Directors: Anthonie C. van Ekris*, Volker Goetz, Paul Hallingby, Jr., Michael R. Lavington*, Whitney I. Gerard, Hugh K. Joyce, Andre Ben Lassin, Arie Nugteren*, Oliver Stabel, Gilbert de Botton, Joerg Bucherer, Giovanni Mahler

*** Member of the Executive Committee**

Business Activities: Engaged through its wholly-owned subsidiary, Kay Jewelers, Inc., in operating retail fine jewelry stores, leased fine jewelry departments in department stores; through its wholly-owned subsidiary, Balfour, Maclaine International Ltd., in importing and exporting a wide variety of goods and commodities.

Divisions and Subsidiaries:

Balfour, Maclaine International Ltd
Wall Street Plaza
New York, New York 10005

The International Trade Division is engaged in importing coffee, rubber, agricultural commodities, and industrial fasteners into the United States. It exports finished goods, certain chemicals and agricultural commodities produced in the United States, acts as commodity brokers and trades in commodity futures.

Kay Jewelers, Inc
320 King Street
Alexandria, Virginia 22314

Operates fine jewelry stores under the name Kay Jewelers and guild jewelry stores under the name of Black, Starr & Frost. It also operates leased fine jewelry department in major U.S. department stores.

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

American Security Bank, N.A.
1501 Pennsylvania Avenue, N.W.
Washington, D.C. 20013

Stock Exchange(s): American

Ticker Symbol: KAY

Number of Retail Units: (at fiscal year end)

	Stores	Leased Depts
1984	290	48
1983	288	47
1982	292	54
1981	281	54
1980	250	58

Sales and Earnings

	Revenues †	Net Income
1984	$ 827,678,000	$ 2,395,000
1983	689,256,000	1,808,000
1982	613,164,000	3,833,000
1981	654,992,000	(7,717,000)
1980	903,913,000	10,518,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	3,727,000	$ 0.66
1983	3,617,000	0.50
1982	3,617,000	1.06
1981	3,574,000	—
1980	3,679,000	2.83

(Loss)
† Of continuing operations
‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock dividend

Revenues By Line of Business

	1984	1983
International trade division	$ 609,969,000	$ 499,845,000
Retail jewelry	217,709,000	189,411,000
Total	$ 827,678,000	$ 689,256,000

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1984	$0.20	—	—
1983	0.20	—	—
1982	0.05	—	—
1981	0.75	—	—
1980	0.65	15%	

† Adjusted to reflect stock dividend

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 34,963,000	$ 9.38
1983	31,829,000	8.80
1982	31,018,000	8.58
1981	27,129,000	7.50
1980	37,364,000	10.53

† Based on the average number of common shares outstanding adjusted to reflect stock dividend

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 804,771	$ 671,478
Other income	22,907	17,778
Total income	$ 827,678	$ 689,256
Cost of sales	664,223	550,417
Expenses	133,541	116,088
Interest expense	24,600	19,112
Income before taxes	$ 5,314	$ 3,639
Income taxes	2,919	1,831
Net Income	$ 2,395	$ 1,808

* Included in Costs and Expenses, Depreciation and Amortization: $6,354,000 in 1984 and $5,659,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 12,823	$ 12,305
Accts. & notes	129,346	126,577
*Inventories	117,521	106,885
Other assets	17,572	4,679
Current Assets	$ 277,262	$ 250,446
Goodwill	1,820	2,002
#Fixed assets	33,099	40,138
Other assets	6,367	6,786
Total Assets	$ 318,548	$ 299,372

Liabilities
(000's)

	1984	1983
Notes & acceptances	$ 93,308	$ 86,022
Accts. payable & accruals	101,896	88,272
Income taxes	8,286	7,055
Curr. Liabilities	$ 203,490	$ 181,349
Long term debt	62,526	74,444
Deferred income taxes	4,785	3,190
Long term liabilities	1,796	2,534
Bank indebtedness	1,407	1,900
Minority interests	2,495	4,126
Deferred income	7,086	—
† Common stock	3,727	3,617
Add. paid-in capital	25,280	24,057
Retained earnings	8,410	6,749
For. curr. trans. adjust	(1,047)	(694)
Deferred emp. comp	(1,407)	(1,900)
Total Liabilities & Shareholders' Equity	$ 318,548	$ 299,372

* Commodity inventories at lower of specific cost or market, inventories which are sold or hedged at net realizable value, unhedged forward contracts at lower of cost or market, net; fine jewelry at lower of cost or market by the retail method.
# Less accumulated depreciation and amortization
† $1 par value

Statistical Summary

% Income bef. Taxes to Sales	0.66	0.54
% Net Income to Sales	0.30	0.27
% Net Income to Equity	6.85	5.68
Sales to Inventories	6.85	6.28
Working Capital	$73,772,000	$69,097,000
Current Ratio	1.36	1.38
Shareholders' Equity	$34,963,000	$31,829,000

Kellwood Company

600 Kellwood Parkway
St. Louis, Missouri 63017
(314) 576-3100

Mailing address

P.O. Box 14374
St. Louis, Missouri 63178

Officers: Fred W. Wenzel, chairman of the board & chief executive officer; William J. McKenna, president & chief operating officer; Joseph P. Collins, Eugene D. Johnson, Bud Berman, Gene Slagle, Seth P. Slocum, vice presidents; James C. Jacobsen, v.p.-finance & treasurer; Robert A. Maddocks, v.p., secretary & general counsel; Lawrence E. Hummel, controller.

Directors: Fred W. Wenzel*, chairman, Edward S. Bottum, Richard P. Conerly, William L. Davis*, Melville C. Hill, Jr.*, James C. Jacobsen*, James S. Marcus, William J. McKenna*, Dolor P. Murray*.

*Member of the Executive Committee

Business Activities: Manufactures consumer products which include apparel for men, women and children and other soft goods for the home and for recreation. Also operates the Ashley's outlet stores which retail surplus merchandise and selected irregulars.

Retail Subsidiary:

Ashley's The Outlet Store
St. Louis, Missouri

Operates 100 retail outlet stores under the name "Ashley"

Transfer Agent(s):

Mercantile Trust Company N.A.
One Mercantile Center
St. Louis, Missouri 63101

Stock Exchange(s): New York

Ticker Symbol: KWD

Number of Stores: (at fiscal year end)

1985	112	1982	108
1984	125	1981	99
1983	120		

Sales and Earnings

	Net Sales	Net Income
1985	$ 588,531,000	$ 15,510,000
1984	582,501,000	14,563,000
1983	573,168,000	11,086,000
1982	606,830,000	8,198,000
1981	590,096,000	3,549,000

	No. of Com. Shares #	Earn. per Share #
1985	3,063,164	$ 5.06
1984	3,596,421	4.05
1983	3,511,283	3.16
1982	3,487,139	2.35
1981	3,474,000	1.02

Based on the average number of shares outstanding

Revenues By Line of Business

	1985	1984
Apparel	$ 280,575	$ 290,563
Apparel - far east	127,319	95,985
Other soft goods	135,205	153,023
Outlet stores	45,432	42,930
Total	$ 588,531	$ 582,501

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$1.05	—	—
1984	0.85	—	—
1983	0.40	—	—
1982	0.40	—	—
1981	0.40	—	—

Common Stock Equity

	Total Equity	Equity Per Share †
1985	$ 95,988,000	$ 31.34
1984	102,505,000	28.50
1983	91,199,000	25.97
1982	84,615,000	24.26
1981	79,498,000	22.88

† Based on the average number of shares outstanding

Income Account *

Year ended April 30	1985	1984
Net sales	$ 588,531,000	$ 582,501,000
Cost of sales	482,779,000	479,067,000
Expenses	71,412,000	68,752,000
Interest expense	15,313,000	15,194,000
Income before taxes	$ 19,027,000	$ 19,488,000
Income taxes	3,517,000	4,925,000
Net Income	$ 15,510,000	$ 14,563,000

* Included in Costs and Expenses, Depreciation and Amortization, $8,782,000 in 1985 and $9,236,000 in 1984.

Assets

As of April 30	1985	1984
Cash	$ 4,750,000	$ 36,341,000
Receiv., net	65,681,000	55,809,000
*Inventories	142,506,000	142,660,000
Prepaid expenses	9,536,000	5,590,000
Current Assets	$ 222,473,000	$ 240,400,000
#Fixed assets	63,528,000	62,769,000
Other assets	14,401,000	12,275,000
Total Assets	$ 300,402,000	$ 315,444,000

Liabilities

Notes payable	$ 14,000,000	$ 7,300,000
Long-term debt, curr.	2,134,000	9,935,000
Accts. payable	31,937,000	43,452,000
Accruals	21,168,000	27,743,000
Income taxes	2,583,000	1,195,000
Curr. Liabilities	$ 71,822,000	$ 89,625,000
Long term debt	123,750,000	115,950,000
Deferred income	8,842,000	7,364,000
+ Common stock	13,770,000	13,020,000
Retained earnings	110,699,000	98,410,000
Cumulative translation adjustment	(8,816,000)	(8,776,000)
Treasury stock	(19,665,000)	(149,000)
Total Liabilities & Shareholders' Equity	$ 300,402,000	$ 315,444,000

* At lower of cost (LIFO) or market
# Less accumulated depreciation and amortization
+ No par value

Statistical Summary

%Income before Taxes to Sales	3.23	3.35
%Net Income to Sales	2.64	2.50
%Net Income to Equity	16.16	14.21
Sales to Inventories	4.13	4.08
Working Capital	$150,651,000	$150,775,000
Current Ratio	3.10	2.68
Shareholders' Equity	$ 95,988,000	$102,505,000

Kelly, Douglas & Company, Limited

P.O. Box 2039
Vancouver, British Columbia, Canada
(604) 430-8600

Officers: Richard J. Currie, chairman; R.J. Addington, president; K.W. Campbell, sr. v.p.-administration & secretary; S.K. Darkazanli, sr. v.p.-corporate development; D.M. McLellan, sr. v.p.-B.C. & Yukon region; Earle Barbour, v.p.-distribution services; G. Arnold Birks, v.p.-real estate & development; M.D. Booty, sr. v.p.-Prairie Div.; D.G. Gibbs, v.p. & controller; V. Hobson, v.p.-engineering & construction; Douglas W. Hunter, v.p.-store location development; J. Rea, v.p.-B.C. wholesale operations; A.W. Smith, v.p.-personnel & industrial relations; K.B. Williams, v.p.-merchandising; D.N. DeLuca, v.p.-retail operations & marketing, B.C. & Yukon Region; A.E. Magaer, v.p.-info. systems; T.M. Dyer, v.p. & treasurer

Directors: W. Galen Weston, Raymond J. Addington*, Richard J. Currie*, F. Mildred Douglas, Charles M. Humphrys*, S. Simon Reisman, C. Francis Murphy, D.M. Williams,* K.W. Campbell

* Member of the Executive Committee

Business Activities: Engaged primarily in the wholesale and retail distribution of food and other products, and in dairy operations, operating in Western Canada.

Divisions and Subsidiaries:

Fairview Farms Limited
Foremost Foods Ltd.
Westfair Foods Ltd.
Dominion Fruit Ltd.
Westfair Wholesale Properties Ltd.
Western Commodities Ltd.
Wester Grocers, Ltd.
Tomboy Stores, Ltd.
Economart Ltd.
Supervalue Stores, Ltd.
Westfair Products (1981) Ltd.

Transfer Agent(s):

National Victoria and Grey Trust Company
Toronto & Vancouver, Canada

Stock Exchange(s): Toronto

Ticker Symbol: KLDQ (Toronto)

Sales and Earnings

	Net Sales (000's)	Net Income ‡ (000's)
1984	$ 1,702,045	$ 18,301
1983	1,583,999	16,977
1982	1,713,815	15,358
1981	1,598,486	17,662
1980*	1,423,601	13,124

	No. of Com. Shares #	Earn. per Share # ‡
1984	6,327,098	$ 2.89
1983	6,327,098	2.68
1982	6,327,098	2.43
1981	6,327,099	2.79
1980*	6,327,099	2.07

* 53 weeks
‡ Including extraordinary gain of $1,012,000 ($0.16 per share) in 1981, extraordinary losses of $350,000 ($0.06 per sare) in 1983 and $1,333,000 ($0.21 per share) in 1982.
# Based on class A and B shares combined

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$0.35	—	—
1983	0.35	—	—
1982	0.35	—	—
1981	0.35	—	—
1980	0.35	—	—

‡ Paid on Class A shares

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 186,203,000	$ 29.43
1983	173,596,000	27.44
1982	161,048,000	25.45
1981	148,853,000	23.53
1980	134,115,000	21.20

‡ Based on Class A and B Stock combined

Income Account
(000's)

Year ended	12/29/84	12/31/84
Net sales	$ 1,702,045	$ 1,583,999
Investment income	4,434	5,678
Total income	$ 1,706,479	$ 1,589,677
Cost of sales	1,653,417	1,539,492
Depreciation & amortization	11,833	10,678
Lease payments	3,236	2,906
Interest expense	3,659	2,563
Income before taxes	$ 34,334	$ 34,038
Income taxes	15,952	16,622
Minority interest	81	89
Net Income	$ 18,301	$ 17,327
Extraord. item	—	(350)
Net Income & extraord. item	$ 18,301	$ 16,977

Assets
(000's)

As of	12/29/84	12/31/84
Cash	$ 1,330	$ 4,933
Accts. receiv. net	65,417	80,027
*Inventories	115,540	94,802
Prepaid expenses	2,575	2,056
Current Assets	$ 184,862	$ 181,818
#Fixed assets	113,026	98,538
Investments & other assets	20,125	9,250
Fixed assets under cap. leases	2,696	3,015
Defer. charges & intangibles	810	940
Total Assets	$ 321,519	$ 293,561

Liabilities
(000's)

Long-term debt, curr.	$ 1	$ 1
Acct. payable & accruals	88,643	100,061

Income taxes	211	266
Bank advances	23,666	—
Curr. Liabilities	$ 112,521	$ 100,328
Long-term debt	12,467	9,281
Cap. lease oblig.	3,190	3,396
Minority interest	932	1,005
Deferred inc. taxes	6,023	5,751
Deferred income	183	204
+ Class A shares	41,717	41,717
+ Class B shares	1,636	1,636
Retained earnings	142,850	130,243
Total Liabilities & Shareholders' Equity	$ 321,519	$ 293,561

* Retail store inventories are stated at the lower of cost and net realizable value less normal profit margin.

# Less accumulated depreciation

+ No par value

Statistical Summary

%Income bef. Taxes to Sales	2.02	2.15
%Net Income to Sales	1.08	1.09
%Net Income to Equity	9.83	9.98
Sales to Inventories	14.73	18.68
Working Capital	$ 72,341,000	$ 81,490,000
Current Ratio	1.64	1.81
Shareholders' Equity	$186,203,000	$173,596,000

Kenwin Shops, Inc.

505 Eighth Avenue
New York, New York 10018
(212) 695-1850

Officers: Irwin Moskowitz, president; Ira Abramson, v.p. & secretary; Richard Moskowitz, v.p. & asst. secretary; Robert Schwartz, v.p. & asst. treasurer; Kenneth Silberstein, treasurer

Directors: Irwin Moskowitz, chairman; Richard Moskowitz; Robert Schwartz; Ira Abramson; Kenneth Siberstein; Martin L. Conrad; Henry Krauss

Business Activities: Operates a chain of ladies' and children's apparel shops which are concentrated in the South, under the names Peyton Shops, Kenwin, Smart & Thrifty, and Blends 'N Trends.

Transfer Agent(s):

National Westminster Bank USA
New York, New York

Stock Exchange(s): American

Ticker Symbol: KWN

Number of Stores: (at fiscal year end)

1984	229	1981	211
1983	222	1980	208
1982	230		

Sales and Earnings

	Net Sales	Net Income +
1984	$ 28,655,405	$ 1,007,736
1983	27,576,076	509,604
1982	26,573,738	297,761
1981*	24,715,311	708,406
1980	20,692,429	554,687

	No. of Com Shares ‡	Earn. per Share ‡
1984	426,603	$ 2.36
1983	422,417	1.21
1982	409,872	0.73
1981*	409,903	1.73
1980	416,127	1.33

* 53 weeks.

+ Including extraordinary gain of $149,000 ($0.35 per share) in 1984.

‡ Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.80	—	—
1983	0.80	—	—
1982	0.90	—	—
1981	0.80	—	—
1980	1.05	—	—

Common Stock Equity

	Total Equity	Equity Per Share‡
1984	$ 7,906,517	$ 18.53
1983	7,233,294	17.12
1982	6,964,197	16.99
1981	7,035,321	17.16
1980	6,655,363	15.99

‡ Based on the weighted average number of shares outstanding.

Income Account
(000's)

Year ended	12/30/84	1/1/84
Net sales	$ 28,655,405	$ 27,576,076
Cost of sales	17,369,282	17,529,897
Expenses	9,390,998	8,860,871
Depreciation & amortization	280,330	241,155
Interest income	(26,941)	(7,451)
Income before taxes	$ 1,641,736	$ 951,604
Income taxes	783,000	442,000
Net Income	$ 858,736	$ 509,604
Extraord. gain	149,000	—
Net Income & Extraord. Gain	$ 1,007,736	$ 509,604

Assets

As of	12/30/84	1/1/84
Cash	$ 1,415,907	$ 1,948,033
Accts. receiv., net	4,265,081	3,729,226
*Inventories	4,130,115	3,647,237
Notes receivable	23,500	23,500
Prepaid expenses	13,378	67,998
Term. pension plan	318,100	
Current Assets	$ 10,166,081	$ 9,415,994
\#Fixed assets	1,280,927	1,167,496
Other assets	102,225	120,282
Total Assets	$ 11,549,233	$ 10,703,772

Liabilities

Accts. payable	$ 2,342,938	$ 2,323,427
Accruals	535,897	474,012
Customer deposits	208,047	189,186
Other taxes	470,860	430,279
Curr. Liabilities	$ 3,557,742	$ 3,416,904
Deferred inc. taxes	84,974	53,574
+ Common stock	464,212	464,212
Add. paid-in capital	633,285	631,080
Retained earnings	7,476,389	6,800,871
Treasury stock	(667,369)	(662,869)
Total Liabilities & Shareholders' Equity	$ 11,549,233	$ 10,703,772

* At lower of cost or market

# Less accumulated depreciation and amortization

+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	5.73	3.45
%Net Income to Sales	3.00	1.85
%Net Income to Equity	10.86	7.05
Sales to Inventories	6.94	7.56
Working Capital	$6,608,339	$5,999,090
Current Ratio	2.86	2.76
Shareholders' Equity	$7,906,517	$7,233,294

King Kullen Grocery Co., Inc.

1194 Prospect Avenue
Westbury, New York 11590
(516) 333-7100

Officers: Walter H. Miller, chairman of the board, president & chief executive officer; Ralph F. Hayden, sr. v.p.-finance & administration & secretary; John J. Clarke, v.p.-labor relations; John B. Cullen, sr. v.p.-security & treasurer; Thomas R. Gerrity, v.p.-meat; George P. Steinmetz, v.p.-construction; Bernard D. Kennedy, sr. v.p.-operations; John P. Pardini, v.p.-store operations; Joseph E. Eck, controller; James A. Cullen, Vito La Rocco, asst. v.p.'s

Directors: Walter H. Miller, chairman; John B. Cullen; Ralph F. Hayden; Bernard D. Kennedy; Vincent L. Pitaro; Charles V. Skoog, Jr.

Business Activities: Operates a chain of supermarkets in Long Island, Brooklyn, Queens and Manhattan.

Transfer Agent(s):

Chemical Bank
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: KKUL (NASDAQ)

Number of Stores: (at fiscal year end)

1983	55	1980	54
1982	55	1979	53
1981	55		

Sales and Earnings

	Net Sales	Net Income
1983	$ 439,185,210	$ 2,483,697
1982	428,127,028	2,413,965
1981	410,308,725	1,958,535
1980	359,910,624	1,401,835
1979	318,363,648	1,843,077

	No. of Com Shares	Earn. per Share †
1983	693,336	$ 3.58
1982	692,621	3.49
1981	691,121	2.84
1980	689,621	2.04
1979	688,121	2.68

† Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$0.50	—	—
1982	0.50	—	—
1981	0.50	—	—
1980	0.50	—	—
1979	0.60	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 29,939,953	$ 43.18
1982	27,756,707	40.07
1981	25,633,606	37.09
1980	24,025,314	34.84
1979	22,977,288	33.39

Income Account *

Year ended	10/1/83	10/2/82
Net sales	$ 439,185,210	$ 428,127,028
Cost of sales	338,693,758	336,202,347
Expenses	95,526,115	86,843,180
Oper. profit	$ 4,965,337	$ 5,081,501
Other expenses (income)	(410,227)	586,207
Income before taxes	$ 4,555,110	$ 4,495,294
Income taxes	2,071,413	2,081,329
Net Income	$ 2,483,697	$ 2,413,965

* Included in Costs and Expenses, Depreciation: $3,602,141 in 1983 and $3,158,935 in 1982.

Assets

As of	10/1/83	10/2/82
Cash	$ 3,032,028	$ 2,119,083
Accts. receiv., net	1,902,791	1,229,041
Income taxes	822,665	
*Inventories	23,222,907	22,119,749
Prepaid expenses	792,741	631,349
Current Assets	$ 29,773,132	$ 26,099,222
#Fixed assets	31,528,462	26,149,627
Other assets	2,061,013	2,468,167
Total Assets	$ 63,362,607	$ 54,717,016

Liabilities

Accts. payable	$ 19,627,605	$ 18,115,980
Other taxes	7,460,777	6,216,988
Income taxes	52,150	960,500
Curr. Liabilities	$ 27,140,532	$ 25,293,468
Deferred inc. taxes	2,232,122	1,666,841
Long-term debt	4,050,000	—
+ Common stock	693,336	692,621
Add. paid-in capital	2,971,071	2,949,551
Retained earnings	26,375,546	24,238,535
Unreal. loss on mark. secur.	(100,000)	(124,000)
Total Liabilities & Shareholders' Equity	$ 63,362,607	$ 54,717,016

* At lower cost (LIFO) or market

# Less accumulated depreciation

+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	1.04	1.05
%Net Income to Sales	0.57	0.56
%Net Income to Equity	8.30	8.70
Sales to Inventories	18.91	19.35
Working Capital	$ 2,632,600	$805,754,000
Current Ratio	1.10	1.03
Shareholders' Equity	$29,939,953	$ 27,756,707

The Kroger Co.

1014 Vine Street
Cincinnati, Ohio 45201
(513) 762-4000

Officers: Lyle Everingham, president, chairman of the board & chief exec. officer; William G. Kagler, president; Richard M. Koster, sr. v.p.'s.; George A. Leonard, v.p., secretary & general counsel; Gerald L. Wolken, v.p. & president-SupeRx Drug Stores; Lawrence Turner, treasurer; Jack G. Hudson, v.p. & controller; Robert E. Saffron, v.p.'s; Arthur Juergens, William J. Sinkula, John L. Strubbe, Walter Dryden, George L. Irwin, David A. Burt, group v.p.'s; Ray E. Dillon, Jr., chairman-Dillon Companies, Inc.; Richard W. Dillon, vice chairman-Dillon Companies, Inc.; Joseph A. Pichler, president-Dillon Companies, Inc.

Directors: Jackson C. Hinds*, Philip E. Beekman, Lyle Everingham*, T. Ballard Morton, Jr.*, W. George Pinnell, Jr., Ray E. Dillon, Jr., Richard W. Dillon, William G. Kagler*, Joseph A. Pichler, William D. Atteberry*, Russell L. Wagner, John D. Ong, Patricia Shontz Longe, Thomas H. O'Leary, Raymond B. Carey, Jr., Otis M. Smith

* Member of the Executive Committee

Business Activities: Operates a chain of retail supermarkets and drug stores; also conducts food processing operations. Supermarkets are located in 21 states, primarily in the Midwest and South; drug stores are located in 21 states.

Divisions:

Kroger Food Stores
SupeRx Drug Stores
Kroger Manufacturing
all located at:
1014 Vine Street
Cincinnati, Ohio 45201
(513) 762-4000

Dillon Companies, Inc.
Hutchinson, Kansas
Operates 219 supermarkets, 352 convenience stores and 15 small, family apparel stores.

Transfer Agent(s):

The First National Bank of Cincinnati
First National Bank Center
Fifth and Walnut Streets
Cincinnati, Ohio 45201

Stock Exchange(s): New York

Ticker Symbol: KR

Number of Stores (at fiscal year end)

	Supermarkets	Drug	Convenience
1984	1,318	575	443
1983	1,428	563	352
1982	1,418	563	352
1981	1,258	507	—
1980	1,245	514	—

Sales and Earnings †

	Net Sales + (000's)	Net Income (000's)
1984	$ 15,922,891	$ 156,633
1983	15,236,013	127,079
1982	14,761,764	192,124
1981	13,957,555	175,870
1980*	12,616,082	125,488

	No. of Com. Shares	Earn. per Share ‡
1984	45,085,783	$ 3.49
1983	44,744,692	2.76
1982	44,498,841	4.05
1981	43,633,104	3.84
1980*	42,203,923	2.84

* 53 weeks

+ Of continuing operations only

‡ Based on the average number of common shares outstanding

Revenues By Line of Business

	1984	1983
Food stores	$ 14,473,000	$ 13,931,000
Drug stores	859,000	789,000
Convenience stores	311,000	260,000
Other	280,000	256,000
Total	$ 15,923,000	$ 15,236,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$2.00	—	—
1983	1.91	—	—
1982	1.76	—	—
1981	1.57	—	—
1980	1.40	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 1,148,776	$ 25.48
1983	1,072,852	23.98
1982	1,036,345‡	23.29
1981	950,049‡	21.33
1980	835,066	18.84

‡ After allowing for preferred stock at par value

Income Account
(000's)

Year ended	12/29/84	12/31/83
Net sales	$ 15,922,891	$ 15,236,013
Cost of sales	12,175,606	11,656,585
Expenses	2,998,366	2,907,339
Rent expense	218,857	208,394
Depreciation & amortization	190,664	179,660
Div. & interest income	(23,173)	(18,231)
Interest expense	97,208	90,297
Income before taxes	$ 265,363	$ 211,969
Income taxes	108,730	84,890
Net Income	$ 156,633	$ 127,079

Assets
(000's)

As of	12/29/84	12/31/83
Cash & cash invest.	$ 163,209	$ 142,106
Receivables, net	204,062	156,359
*Inventories	1,245,985	1,151,131
Property held for resale	10,724	105,075
Prepaid & other curr. assets	116,049	110,188
Current Assets	$ 1,740,029	$ 1,664,859
Investments	65,073	66,188
#Fixed assets	1,846,436	1,769,339
Notes receivable	35,788	29,427
Total Assets	$ 3,687,326	$ 3,529,813

Liabilities
(000's)

Long-term debt, curr.	$ 57,233	$ 6,084
Accts. payable	906,758	842,155
Accrued inc. taxes	69,783	52,262
Other curr. liabilities	424,132	418,600
Oblig. under cap. leases, curr.	5,601	6,057
Curr. Liabilities	$ 1,463,507	$ 1,325,158
Long-term debt	577,842	665,386
Oblig. under cap. leases	200,815	212,406
Employee benefit fund	21,810	21,810
Deferred inc. taxes	274,576	232,201
+ Common stock	381,696	357,408
Retained earnings	887,606	820,944
Treasury stock	(114,952)	(99,203)
Loss on equity securities	(5,574)	(6,297)
Total Liabilities & Shareholders' Equity	$ 3,687,326	$ 3,529,813

* At lower of cost (principally LIFO) or market

# Less accumulated depreciation

+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	1.67	1.39
%Net Income to Sales	0.98	0.83
%Net Income to Equity	13.63	11.84
Sales to Inventories	12.78	13.24
Working Capital	$ 276,522,000	$ 339,701,000
Current Ratio	1.19	1.26
Shareholders' Equity	$1,148,776,000	$1,072,852,000

Levitz Furniture Corporation

1317 N.W. 167th Street
Miami, Florida 33169
(305) 625-6421

Officers: Robert M. Elliott, chairman of the board and chief executive officer; George H. Bradley, president; John W. Duall, sr. v.p. & controller; Henry J. Morgan, sr. v.p., secretary & gen. counsel; Patrick J. Nolan, sr. v.p. & treasurer; Allen H. Glick, sr. v.p.-marketing; Donald Mustain, II, sr. v.p.-planning & devel.; Richard N. Himeisen, v.p.-mgr., info. services; Frank W. Bonheim, v.p.-personnel; Eleanor Eckardt, v.p.-consumer relations; Robert E. Gorden, v.p.-advertising & sales promotion; Lucy J. Mazzoni, v.p.-office admin.; Julian T. Pipkin, Jr., v.p.-operations; Gary R. Miller, asst. treasurer; Harry O. Boreth, David M. Devins, asst. secretaries.

Levitz Furniture Corporation

Directors: George H. Bradley*, chairman, Robert M. Elliott*, Bruce Leadbetter*, John W. Duall, Melvyn N. Klein*, Curtis L. Ward*, Erik M. Giese, Wayne W. Wright

* Member of the Executive Committee

Business Activities: Operates a nation-wide chain of "warehouse-showroom" furniture stores.

Transfer Agent(s):

Manufacturers Hanover Trust Co.
New York, New York

Stock Exchange(s): New York, Pacific

Ticker Symbol: LEV

Number of Stores: (at fiscal year end)

1985	92	1982	83
1984	85	1981	80
1983	85		

Sales and Earnings

	Net Sales	Net Income
1985	$ 761,778,000	$ 34,242,000
1984	644,435,000	27,409,000
1983	485,721,000	8,765,000
1982	488,544,000	8,873,000
1981	500,752,000	13,458,000

	No. of Com. Shares +	Earn. per Share ‡
1985	8,536,535	$ 4.20
1984	8,527,160	3.37
1983	8,515,874	1.07
1982	8,515,874	1.05
1981	8,515,074	1.58

+ Adjusted to reflect stock split.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1985	$0.72		
1984	0.59		2 for 1
1983	0.50		
1982	0.50		
1981	0.50		

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 184,451,000	$ 21.61
1984	155,960,000	18.29
1983	133,167,000	15.64
1982	130,608,000	15.34
1981	129,767,000	15.24

‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Jan. 31	1985	1984
Net sales	$ 761,778	$ 644,435
Cost of sales	414,943	358,377
Expenses	271,138	229,234
Interest expense	9,095	9,836
Other expense (income)	703	(4,431)
Income before taxes	$ 65,899	$ 51,419
Income taxes	31,657	24,010
Net Income	$ 34,242	$ 27,409

* Included in Cost and Expenses, Depreciation and Amortization: $14,757,000 in 1985 and $13,085,000 in 1984.

Assets
(000's)

As of Jan. 31	1985	1984
Cash	$ 19,505	$ 13,892
Receiv., net	25,404	17,537
*Inventories	111,070	101,903
Prepaid expenses & deposits	2,921	3,207
Deferred income taxes	629	1,572
Current Assets	$ 159,529	$ 138,111
#Fixed assets	171,171	154,292
Property under cap. leases	64,242	67,130
Other assets	9,965	18,319
Total Assets	$ 404,907	$ 377,852

Liabilities
(000's)

	1985	1984
Long-term debt, curr.	$ 1,762	$ 1,680
Current portion of oblig. under cap. leases	2,344	2,897
Accts. payable	48,169	43,398
Accruals & other liabilities	35,024	36,688
Income taxes	6,573	5,623
Curr. Liabilities	$ 93,872	$ 90,286
Long-term debt	35,806	41,292
Oblig. under cap. leases	80,711	82,414
Deferred income taxes	10,067	7,900
+ Common stock	3,415	3,411
Add. paid-in capital	33,263	33,147
Retained earnings	153,749	125,378
Treasury stock	(5,976)	(5,976)
Total Liabilities & Shareholders' Equity	$ 404,907	$ 377,852

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.40 par value.

Statistical Summary

	1985	1984
%Income bef. Taxes to Sales	8.65	7.98
%Net Income to Sales	4.50	4.25
%Net Income to Equity	18.56	17.57
Sales to Inventories	6.86	6.32
Working Capital	$ 65,657,000	$ 47,825,000
Current Ratio	1.70	1.53
Shareholders' Equity	$184,451,000	$155,960,000

The Limited, Inc.

One Limited Parkway
P.O. Box 16528
Columbus, Ohio 43216
(614) 475-4000

Officers: Leslie H. Wexner, chairman of the board & president, Robert H. Morosky, vice chairman of the board, David T. Kollat, Thomas G. Hopkins, exec. v.p.'s, Kenneth B. Gilman, v.p. & corporate controller, Timothy B. Lyons, v.p.-taxes, Charles W. Hinson, v.p.-store planning, Jerald Dick, v.p.-real estate, Alfred S. Dietzel, v.p.-financial and public relations, Bella Wexner, secretary

Directors: Leslie H. Wexner, chairman, Robert H. Morosky, Bella Wexner, Claudine Malone, David T. Kollat, John K. Pfahl, Donald B. Shackelford, John W. Kessler, Martin Trust, W. Arthur Cullman, Raymond Zimmerman

Business Activities: Engaged in the sale of a wide range of medium-priced women's fashion apparel to the 20 to 40 age group. The company also operates 133 Limited Express stores designed to appeal to younger women, 15 to 25 years of age. Merchandise is chosen to provide a coordinated mix of sportswear, dresses, coats and accessories for the fashion oriented customer. Operates 562 fashion apparel stores in 97 metropolitan areas, principally in regional shopping malls. Through its Mast Industries, Inc. subsidiary, the Company also produces and sells to other retailers and manufacturers moderate-priced apparel appealing to the fashion-conscious consumer.

Subsidiaries:

Lane Bryant, Inc.
322 retail clothing stores plus mail order division.

Victoria's Secret
46 stores plus mail order division.

Sizes Unlimited
An off-priced retail chain of 349 stores selling special size apparel.

Transfer Agent(s):

Manufacturers Hanover Trust Company
Shareholders Relations Department
450 West 33rd, 8th Floor
New York, New York 10001

Stock Exchange(s): Over the Counter

Ticker Symbol: LIMT (NASDAQ)

Number of Stores: (at fiscal year end)

1984	1,412	1981	422
1983	N.A.	1980	336
1982	489		

N.A. Not Available

Sales and Earnings

	Net Sales	Net Income
1984*	$ 1,343,134	$ 92,495,000
1983	1,085,890	70,939,000
1982	721,394,000	33,592,000
1981	364,900,000	22,386,000
1980	295,016,000	13,142,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984*	60,210,000	$ 1.54
1983	60,062,000	1.18
1982	58,502,000	0.57
1981	55,507,000	0.40
1980	54,356,000	0.24

* 53 weeks.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$0.24		2 for 1
1983	0.12		
1982	0.073		2 for 1
1981	0.038		
1980	0.028		

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 275,403,000	$ 4.62
1983	192,576,000	3.25
1982	122,578,000	2.10
1981	83,150,000	1.50
1980	60,093,000	1.11

‡ Adjusted to reflect stock splits.

Income Account *

Year ended	2/2/85	1/28/84
Net sales	$1,343,134,000	$1,085,890,000
Cost of sales	938,813,000	758,274,000
Expenses	231,219,000	192,239,000
Other income	(1,055,000)	(9,810,000)
Interest expense	16,662,000	10,248,000

Income before taxes	$ 157,495,000	$ 134,939,000
Income taxes	65,000,000	64,000,000
Net Income	$ 92,495,000	$ 70,939,000

* Included in Costs and Expenses: Depreciation and Amortization: $34,526,000 in 1984 and $28,427,000 in 1983

Assets

As of	2/2/85	1/28/84
Cash & cash equiv	$ 7,494,000	$ 1,282,000
Accts receiv, net	45,912,000	44,201,000
*Inventories	190,014,000	115,608,000
Prepaid expenses	13,056,000	8,339,000
Current Assets	$ 256,476,000	$ 169,430,000
#Fixed assets	267,528,000	180,342,000
Other assets	19,476,000	13,894,000
Invest in Limited Credit Corp	23,672,000	13,730,000
Total Assets	$ 567,152,000	$ 377,396,000

Liabilities

Accts payable	$ 103,010,000	$ 65,134,000
Accruals	47,719,000	42,224,000
Income taxes	9,378,000	7,801,000
Def inc taxes	29,109,000	14,140,000
Curr Liabilities	$ 189,216,000	$ 129,299,000
Long term debt	60,139,000	21,763,000
Deferred inc taxes	42,394,000	33,758,000
+ Common stock	29,807,000	29,590,000
Add paid-in capital	22,466,000	18,088,000
Retained earnings	223,130,000	144,898,000
Total Liabilities & Shareholders' Equity	$ 567,152,000	$ 377,396,000

* At lower of average cost or market or at lower of cost or market on the specific identification method

# Less accumulated depreciation

+ $0.50 par value

Statistical Summary

%Income bef. Taxes to Sales	11.73	12.43
%Net Income to Sales	6.89	6.53
%Net Income to Equity	33.59	36.84
Sales to Inventories	7.07	9.39
Working Capital	$ 67,260,000	$ 40,131,000
Current Ratio	1.36	1.31
Shareholders' Equity	$275,403,000	$192,576,000

The Lionel Corporation

441 Lexington Avenue
New York, New York 10017

NOTE: The Company is operating as a debtor under Chapter XI of the Federal Bankruptcy Act

Officers: Michael J. Vastola, chairman of the board and chief executive officer, chief financial accounting officer & treasurer; Marvin J. Katz, sr. v.p.; George A. Padgett, senior vice president, secretary and general counsel; Robert E. Amweg, assistant controller; Louis P. Mongeluzzi, assistant secretary

Directors: Donald R. Anselmi, Leo P. Arnaboldi, Jr., Eugene P. Bernardi, Paul J. Chase, Stanley Gewirtz, Joseph A. Gimma, Gordon H. Johnson, Arthur F. McGinness, Jr., George A. Padgett, Michael J. Vastola, Ronald D. Saypol

Subsidiaries:

Lionel Leisure, Inc.
2951 Grant Avenue
Philadelphia, Pennsylvania 19114
(215) 671-3800

Operates a chain of 52 toy supermarkets in 14 states, operated under the names Lionel Kiddie City, Lionel Playworld, and Lionel Toy Warehouse. Major product lines include toys, games, hobbies, wheelgoods, juvenile furniture, playground equipment, pools, sporting goods, and camping equipment.

Dale Electronics, Inc. (82% owned)
1356 28th Avenue
Columbus, Nebraska 68601
(402) 564-3131

Miniature power resistors, precision and commercial wirewound resistors, precision power wirewound resistors, precision potentiometers, wirewound and film trimmer potentiometers, thick film microcircuitry, special high reliability resistors, electrical connectors, resistor networks and other electronic and electromechanical assemblies, surge arrestors and crystal filters and oscillators.

Transfer Agent(s):

First Jersey National Bank
2 Montgomery Street
Jersey City, New Jersey 07302

Stock Exchange(s): Pacific, American (Dale only)

Ticker Symbol: QLIO

Number of Stores: (at fiscal year end)

1984	52	1981	93
1983	53	1980	96
1982	56		

Sales and Earnings

	Net Sales +	Net Income
1984	$ 358,263,441	$ 20,703,338
1983	295,758,048	(6,854,607)
1982	296,062,486	(51,128,584)
1981	344,183,429	(13,069,168)
1980	289,226,172	8,347,347

	No. of Com. Shares #	Earn. per Share #
1984	7,104,955	$ 2.91
1983	7,104,962	
1982	7,103,362	
1981	7,030,968	
1980	6,067,529	1.38

(Loss)

+ Of continuing operations only

# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$		
1983			
1982			
1981	0.15	5%	
1980	0.19	5%	

+ Adjusted to reflect stock dividends

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ (5,069,506)	$
1983	(25,048,768)	
1982	(18,199,260)	
1981	32,929,323	4.66
1980	47,043,542	7.75

(Deficiency)

+ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends

Income Account

Year ended Dec. 31	1984	1983
Net sales	$ 354,702,649	$ 294,580,177
Other income	3,560,792	1,177,871
Total Income	$ 358,263,441	$ 295,758,048
Cost of sales	241,444,322	210,669,251
Expenses	78,616,048	71,390,897
Depreciation & amortization	7,649,719	6,875,169
Interest expense	2,842,803	3,100,838
Unusual items	3,886,426	7,922,993
Inc. (loss) bef. taxes	$ 23,824,123	$ (4,201,100)
Income taxes	11,222,551	1,213,001
Minority interest	2,015,934	1,440,506
Net Income (Loss)	$ 10,585,638	$ (6,854,607)
Extraord. gain	10,117,700	
Net Income (Loss) & extraord. gain	$ 20,703,338	$ (6,854,607)

Assets

As of Dec. 31	1984	1983
Cash	$ 3,157,298	$ 11,311,920
Short term invest.	49,209,729	45,461,153
Receivables, net	19,245,362	17,917,689
*Inventories	82,211,654	66,983,073
Prepaid expenses	2,656,097	2,581,653
Current Assets	$ 156,480,640	$ 144,255,488
Notes receiv.	117,000	117,000
Prop. under cap. leases	9,614,040	11,041,890
#Fixed assets	37,262,034	32,622,024
Other assets	1,551,431	1,089,161
Defer. charges	1,062,423	716,196
Intangibles	22,254	23,645
Total Assets	$ 206,109,822	$ 191,865,404

Liabilities

Long-term debt, curr.	$ 1,939,931	$ 1,569,842
Cap. lease oblig., curr.	843,827	929,867
Accts. payable	23,291,707	26,920,974
Accruals	11,087,788	10,311,505
Accrued payroll	5,856,253	3,602,500
Taxes	3,932,348	6,956,452
Curr. Liabilities	$ 46,951,854	$ 50,291,080
Long-term debt	139,243,661	139,279,966
Other debt	9,440,413	11,257,191
Cap. lease oblig.	9,728,458	12,095,375
Other liab.	432,409	575,926
Minority interest	5,382,533	3,414,634
+ Common stock	737,766	737,766
Add. paid-in capital	28,951,169	28,951,169
Retained earnings (deficit)	(33,979,772)	(53,959,034)
Treasury stock	(778,669)	(778,669)
Total Liabilities & Shareholders' Equity	$ 206,109,822	$ 191,865,404

* At lower of cost (FIFO or retail method) or market

# Less accumulated depreciation and amortization

+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Sales –	6.72	
%Net Income to Sales	2.98	
Sales to Inventories	4.31	4.40
Working Capital	$109,528,786	$93,964,408
Current Ratio	3.33	2.87
Shareholders' Equity (Deficiency)	$(5,069,506)	$(25,048,768)

Loblaw Companies Limited

22 St. Clair Avenue East
Toronto, Ontario, Canada M4T 2S3
(416) 922-2500

Officers: W. Galen Weston, chairman of the board; Richard J. Currie, president; Raymond J. Addington, David A. Nichols, David M. Williams, exec. v.p.'s; Brian Y. Davidson, sr. v.p.-bus. development; Harold A. Seitz, sr. v.p.-real estate development; Douglas N. Lunau, v.p. procurement services; Sheldon Douglass, v.p. financial services; Wayne E. East, v.p. information services; David Bragg, controller; James H. Farrell, v.p., general counsel & secretary; John N. McCullough, v.p. & asst. gen. counsel; John W. Thompson, v.p. finance; Donald G. Reid, treasurer; Dorothy M. Leamen, Stewart E. Green, asst. secretaries; Shimona Petroff, asst. treasurer; Richard P. Mavrinac, tax officer

Directors: W. Galen Weston, chairman; Richard J. Currie, Charles M. Humphrys, Robert H. Kidd, Roger A. Lindsay, Arthur H. Mingay, David A. Nichol, George B. Robertson

Loblaw Companies Limited

Business Activities: A Canadian holding company controlling major interest in food retailing and wholesaling in Canada and the United States. In addition to its food-related operations, Loblaw, through its subsidiaries, also participates in the Canadian general merchandise industries.

Divisions and Subsidiaries:

National Tea Company
Chicago, Illinois
Operates supermarkets in the central United States.

Peter J. Schmitt Co., Inc.
Buffalo, New York
Wholesale and retail food distribution in the United States.

Loblaws Limited
Toronto, Ontario, Canada
Operates food Stores in Ontario, Canada, under the Loblaws and Ziggys names.

Zehrmart Limited

Zehr's Markets Division
Cambridge, Ontario, Canada
Operates 57 retail supermarkets under the Zehr's and Gordon's names in southwestern and north central Ontario.

National Grocers Company, Limited
Toronto, Ontario, Canada
A wholesale organization supplying retail food stores and institutions throughout Ontario and Quebec.

Atlantic Wholesalers Division
Sackville, New Brunswick, Canada
Wholesaler of groceries, meat and produce in the Maritime provinces.

Kelly, Douglas & Company, Limited (85% owned)
Burnaby, British Columbia, Canada
Engaged primarily in the wholesale and retail distribution of food and drug products, and also in extensive food manufacturing, catering, restaurant supply and dairy operations, operating mainly in Western Canada and the prairies.

Transfer Agent(s):

National Victoria and Grey Trust Company
Toronto, Montreal, Calgary, Winnipeg, Regina, Halifax & Vancouver, Canada

Stock Exchange(s): Toronto, Montreal, Vancouver

Ticker Symbol: LA (Class A), LB (Class B)

Number of Stores: (at fiscal year end)

1984	381	1981	548
1983	403	1980	600
1982	506		

Sales and Earnings

		Net Sales (000's)	Net Income ‡ (000's)
1984	$	6,419,400	$ 64,200
1983		6,091,019	52,747
1982		6,220,981	39,306
1981		5,794,531	52,649
1980*		5,374,796	46,193

	No. of Com. Shares	Earn. per Share ‡
1984	35,501,858	$ 1.62
1983	35,466,573	1.33
1982	35,410,511	0.92
1981	35,403,150	1.32
1980*	31,900,000	1.20

* 53 weeks.

‡ Including extraordinary gains of $3,100,000 ($0.09 per share) in 1984, $700,000 ($0.02 per share) in 1983, $12,057,000 ($0.35 per share) in 1981, $12,112,000 ($0.38 per share) in 1980, and extraordinary loss of $5,682,000 ($0.16 per share) in 1982.

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 357,400,000	$ 10.07
1983	303,724,000	8.56
1982	261,454,000	7.38
1981	236,529,000	6.68
1980	170,785,000	5.35

‡ After allowing for preferred stock at redemption values.

Income Account
(000's)

Year ended	12/29/84	12/31/83
Net sales	$ 6,419,400	$ 6,091,019
Other income	5,500	6,503
Total Income	$ 6,424,900	$ 6,097,522
Cost of sales & exp	6,178,400	5,860,690
Lease expense	41,400	46,555
Depreciation	67,400	61,826
Interest expense	29,200	26,440
Income before taxes	$ 108,500	$ 102,011
Income taxes	44,200	45,876
Minority interest	3,200	4,088
Net Income	$ 61,100	$ 52,047
Extraord. gain	3,100	700
Net Income & Extraord. Gain	$ 64,200	$ 52,747

Assets
(000's)

As of	12/29/84	12/31/83
Cash & invest	$ 7,600	$ 45,643
Accts. receiv., net	152,800	136,901
Prop. for sale	8,000	5,230
*Inventories	443,400	379,662
Prepaid expenses	12,300	14,104
Current Assets	$ 624,100	$ 581,540
Investments	70,100	77,840
#Fixed assets	555,100	484,859
Deferred income taxes	7,800	—
Defer. charges & intangibles	7,200	6,872
Total Assets	$ 1,264,300	$ 1,151,111

Liabilities
(000's)

Bank advances & notes payable	$ 31,800	$ 14,504
Long-term debt, curr	3,100	8,200
Cap. lease oblig., curr	7,300	6,466
Accounts payable & accruals	423,500	393,869
Taxes payable	26,200	47,102
Dividend payable	2,600	—
Curr. Liabilities	$ 494,500	$ 470,141
Long-term debt	171,200	129,540
Cap. lease oblig	69,600	74,745
Other liabilities	30,900	29,258
Minority interest	31,900	29,691
Deferred inc. taxes	—	4,478
+ First pref. stock:		
First series	22,000	21,982
Second series	12,000	12,251
+ Second pref. stock:		
First series	30,000	30,000
Second series	25,000	25,000
+ Junior pref. stock:		
First series	1,600	1,640
Second series	1,300	1,300
Third series	2,200	2,250
Fourth series	1,400	1,375
+ Common stock	103,200	103,072
Add. paid-in capital	10,400	10,514
Retained earnings	198,700	197,531
Curr. trans. adj.	11,700	6,343
Total Liabilities & Shareholders' Equity	$ 1,264,300	$ 1,151,111

* At lower of cost and net realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	1.69	1.67
%Net Income to Sales	0.95	0.85
%Net Income to Equity	13.11	12.59
Sales to Inventories	14.48	16.04
Working Capital	$129,600,000	$111,399,000
Current Ratio	1.26	1.24
Shareholders' Equity	$466,200,000	$413,258,000

Longs Drug Stores, Inc.

141 North Civic Drive
P.O. Box 5222
Walnut Creek, California 94596
(415) 937-1170

Officers: J.M. Long, chairman of the board; R.M. Long, president & chief exec. officer; R.A. Scott, exec. v.p.; R.A. Plomgren, sr. v.p.-development; N.C. Adams, D.G. De Schane, G.A. Duey, T.R. Sweeney, B.M. Brandon, D.D. England, D.R. Wilson, V.H. Howe, R.W. Vienop, M. Baird, v.p.'s; W.G. Combs, v.p.-administration & treasurer; S.D. Roath, sr. v.p.-marketing; O.D. Jones, v.p.-real estaste & secretary; L.C. Anderson, v.p.-personnel; D. Madsen, v.p.-finance; P.E. Paz, v.p.-merchandising & sales development; R.W. Boyd, v.p.-professional affairs.

Directors: J.M. Long, T.J. Long, N.C. Adams, R.M. Long, I.W. Rowland, Samuel B. Stewart, Ronald A. Plomgren, D.E. McHenry, R.A. Scott, T.R. Sweeney, S.D. Roath, W.G. Combs, E.E. Johnston.

Business Activities: Operates a chain of drug stores located in California, Hawaii, Alaska, Arizona, Oregon and Nevada.

Transfer Agent(s):

Bank of America N.T. & S.A.
San Francisco, California 94120

Stock Exchange(s): New York

Ticker Symbol: LDG

Number of Stores: (at fiscal year end)

1985	191	1982	162
1984	178	1981	149
1983	173		

Sales and Earnings

	Net Sales	Net Income
1985	$1,375,769,000	$ 40,094,000
1984	1,214,443,000	36,387,000
1983	1,123,234,000	30,890,000
1982	1,005,370,000	30,274,000
1981	893,198,000	25,862,000

	No. of Com. Shares ‡	Earn. per Share ‡
1985	21,335,000	$ 1.88
1984	21,236,000	1.72
1983	21,186,000	1.46
1982	21,136,000	1.43
1981	21,134,000	1.23

‡ Based on the weighted average number of common stock and common stock B shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1985	$0.62	—	2-for-1
1984	0.55	—	—
1983	0.51	—	—
1982	0.45	—	—
1981	0.41	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 260,907,000	$ 12.23
1984	224,402,000	10.57
1983	198,816,000	9.38
1982	177,993,000	8.42
1981	157,213,000	7.44

‡ Based on the weighted average number of common stock and common stock B shares outstanding adjusted to reflect stock split

Income Account *
(000's)

Year ended Jan 31	1985	1984
Net sales	$ 1,375,769	$ 1,214,443
Cost of sales	1,045,571	915,325
Expenses	206,270	187,388
Occupancy	45,634	40,693
Income before taxes	$ 78,294	$ 71,037
Income taxes	38,200	34,650
Net Income	$ 40,094	$ 36,387

* Included in Costs and Expenses. Depreciation $9,278,000 in 1985 and $8,178,000 in 1984

Assets
(000's)

As of Jan 31	1985	1984
Cash & short term invest	$ 26,600	$ 25,734
*Inventories	155,919	133,773
Prepaid expenses & deposits	10,114	10,630
Current Assets	$ 192,633	$ 170,137
#Fixed assets	167,980	152,479
Total Assets	$ 360,613	$ 322,616

Liabilities
(000's)

	1985	1984
Accts payable	$ 52,380	$ 44,582
Compensation	11,498	18,274
Income taxes	8,902	6,809
Other taxes	8,087	11,771
Other liabilities	8,979	9,090
Curr Liabilities	$ 89,846	$ 90,526
Deferred inc taxes	9,860	7,688
+ Common stock	1,333	1,327
Add paid-in capital	6,954	5,611
Contrib to profit sharing	8,250	—
Retained earnings	244,370	217,464
Total Liabilities & Shareholders' Equity	$ 360,613	$ 322,616

* At lower of cost (LIFO) or market
# Less accumulated depreciation
+ No par value

Statistical Summary

%Income bef Taxes to Sales	5.69	5.85
%Net Income to Sales	2.91	3.00
%Net Income to Equity	15.37	16.22
Sales to Inventories	8.82	9.08
Working Capital	$102,787,000	$79,611,000
Current Ratio	2.14	1.88
Shareholders' Equity	$260,907,000	$224,402,000

Lowe's Companies, Inc.

State Highway 268 East
Box 1111
North Wilkesboro, North Carolina 28656
(919) 651-4000

Officers: Robert L. Strickland, chairman of the board; Leonard G. Herring, president & chief executive officer; J. Ross Burgess, Jr., exec. v.p. & merchandise; Dwight E. Pardue, sr. v.p.-store operations; Clayton A. Griffing, sr. v.p.-finance & chief financial officer; William H. McElwee, sr. managing director & corporate counsel; Arnold N Lakey, v.p.-credit; Richard D. Elledge, v.p., secretary & controller; Harry B. Underwood, v.p. & treasurer; John W. Vining, Jr., v.p.-administration; W. Nathan Mitchell, asst. secretary; William F. Reins, asst. treasurer

Directors: Petro Kulynych, William H. McElwee, Sr., Leonard G. Herring, Robert L. Strickland, Gordon E. Cadwgan, Robert G. Schwartz

Business Activities: Operates a group of merchandise stores specializing in lumber, building materials, hardware, appliances and a variety of other consumer products. Stores are located in North Carolina, Tennessee, West Virginia, Arkansas, Indiana, Illinois, Texas, South Carolina, Virginia, Maryland, Pennsylvania, Delaware, Ohio, Georgia, Kentucky, Louisiana, Mississippi, Alabama and Florida.

Transfer Agent(s):

Wachovia Bank & Trust Company, N.A.
Box 3001
Winston-Salem, North Carolina 27102

Morgan Guaranty Trust Company of New York
30 West Broadway
New, New York 10015

Stock Exchange(s): New York, Pacific, London

Ticker Symbol: LOW

Number of Stores: (at fiscal year end)

1984	238	1981	214
1983	235	1980	209
1982	229		

Sales and Earnings

	Net Sales	Net Income
1985	$1,688,738,000	$ 61,433,000
1984	1,430,576,000	50,615,000
1983	1,034,032,000	25,131,000
1982	888,042,000	17,859,000
1981	883,614,000	18,891,000

	No. of Com Shares ‡	Earn per Share +
1985	36,248,000	$ 1.70
1984	36,193,000	1.40
1983	33,333,000	0.75
1982	32,555,000	0.55
1981	32,555,000	0.58

‡ Adjusted to reflect stock splits.
+ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1985	1984
Structural lumber	$ 303,000	$ 270,000
Bldg commod & millwork	567,000	493,000
Home decor & illum	183,000	149,000
Kitch , bath & laundries	170,000	142,000
Heating, cooling & water syst	93,000	85,000
Home entertainment	59,000	51,000
Recreation, yard, patio, garden & farms	117,000	86,000
Tools	$ 36,000	$ 25,000
Spec order sales	161,000	129,000
Total	$ 1,689,000	$ 1,430,000

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1985	$0.32	—	—
1984	0.32	—	—
1983	0.29	—	5-for-3
1982	0.29	—	3-for-2
1981	0.24	—	—

‡ Adjusted to reflect stock splits

Common Stock Equity

	Total Equity	Equity Per Share +
1985	$ 341,348,000	$ 9.42
1984	291,505,000	8.05
1983	198,783,000	5.96
1982	177,501,000	5.45
1981	169,018,000	5.19

+ Adjusted to reflect stock splits

Income Account
(000's)

Year ended Jan 31	1985	1984
Net sales	$ 1,688,738	$ 1,430,576
Cost of sales	1,262,394	1,071,437
Expenses	269,347	231,732
Depreciation	14,805	12,034
Emp retire ben	20,802	17,114
Interest expense	2,314	1,368
Income before taxes	$ 119,076	$ 96,891
Income taxes	57,633	46,276
Net Income	$ 61,443	$ 50,615

Assets
(000's)

As of Jan 31	1985	1984
Cash	$ 1,740	$ 12,622
Short-term invest	82,464	61,627
Accts receiv , net	97,319	94,658
*Inventories	248,268	205,100
Prepaid inc taxes	2,579	3,565
Current Assets	$ 432,370	$ 377,572
#Fixed assets	195,237	141,238
Other assets	7,737	2,100
Total Assets	$ 635,344	$ 520,910

Liabilities
(000's)

	1985	1984
Long-term debt, curr	$ 7,083	$ 5,858
Accts payable	125,003	110,415
Emp retire benefit pay	19,989	17,292
Income taxes	550	5,074
Accrued payroll & other liab	36,793	30,191
Curr Liabilities	$ 189,418	$ 168,830
Long-term debt	92,488	51,891
Def inc taxes	10,854	7,411
Def income	1,236	1,273
+ Common stock	18,124	18,124
Add paid-in capital	63,847	63,847
Retained earnings	259,377	209,534
Total Liabilities & Shareholders' Equity	$ 635,344	$ 520,910

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef Taxes to Sales	7.05	6.77
%Net Income to Sales	3.64	3.54

% Net Income to Equity	18.00	17.36
Sales to Inventories	6.80	6.98
Working Capital	$242,952,000	$208,742,000
Current Ratio	2.28	2.24
Shareholders' Equity	$341,348,000	$291,505,000

Lucky Stores, Inc.

6300 Clark Avenue
P.O. Box BB
Dublin, California 94566
(415) 828-1000

Officers: S. Donley Ritchey, chairman & chief exec. officer; John M. Lillie, pres. & chief operating officer; Kenneth W. Cope, sr. v.p. admin.; Lawrence A. DelSanto, sr. v.p. gen. mdse.; Theodore F. Brunner, sr. v.p. manufacturing & support facilities; Ivan Owen, sr. v.p. & chief financial officer; Leon W. Roush, sr. v.p. food operations; Anne C. Broome, v.p. & controller; Richard C. Biagi, v.p. real estate; Alan R. Ceccanti, v.p. meat operations; Lester C. Kranhold, v.p. engineering; Frank J. Dorsey, v.p. warehousing, distribution & store systems; Raymond H. Sweeney, v.p. industry relations; R. Lee Paulson, v.p. management information systems; Richard M. Brooks, v.p. finance & treasurer; James R. Clark, v.p. planning; Christopher McLain, v.p., counsel & secretary

Directors: Gerald A. Awes*, William H. Dyer, Jr.*, Ivan Owen, Dwight E. Stanford, Stanley Hiller, Jr., Walter E. Hoadley, John H. Hoefer, Joseph A. Woods, Jr., Don C. Frisbee, Forrest A. Plant, Mary E. Lanigar, S. Donley Ritchey*, John M. Lillie*, Melvin B. Lane

* Member of the Executive Committee

Business Activities: Operates a chain of food units consisting of supermarkets, food departments of department stores. Lucky Discount Supermarkets are located in Western states; Food Basket in San Diego County, California; Kash 'N Karry in Florida; Eagle Discount Supermarkets in the Midwest and Texas. Also operates Gemco Membership Department Stores located in the West. Operates a chain of pharmacies in department stores and food markets; fabric stores (Hancock Fabrics) located primarily in the South, Southwest and Pacific Coast; Kragen Auto Supply and Checker Auto Parts, dealing primarily in auto parts and tires located in California; jewelry departments (Le Gran) in the Company's membership department stores. Also engaged in the distribution of fabrics and notions to both company owned and independent stores and the manufacture and marketing of household cleaning products. Operates Harvest Day Bakeries, Lady Lee dairies and ice cream (California) and meat plants (California).

Transfer Agent(s):

Bank of America N.T. & S.A.
(common and preferred stock)
World Headquarters Building
San Francisco, California 94104

Stock Exchange(s): New York, Pacific

Ticker Symbol: LKS

Number of Stores: (at fiscal year end)

	Food Stores	Dept Stores	Specialty Retailing
1984	622	77	696
1983	567	76	986
1982	561	80	949
1981	541	86	849
1980	532	83	907

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1984*	$ 9,236,529	$ 94,631
1983	8,388,155	105,400
1982	7,972,973	92,228
1981	7,133,676	95,452
1980	6,391,095	90,458

	No. of Com. Shares	Earn. per Share #
1984*	50,850,678	$ 1.84
1983	50,739,660	2.05
1982	50,599,005	1.80
1981	50,211,072	1.88
1980	50,055,749	1.80

* 53 weeks
+ Of continuing operations only
# Based on the weighted average number of common shares outstanding

Revenues By Line of Business

	1984 (000's)	%	1983 (000's)	%
Food stores	$6,206,600	67.2%	$5,546,500	66.1%
Dept. stores	2,326,200	25.2	2,135,000	25.5
Specialty stores	703,700	7.6	706,700	8.4
Total	$9,236,500	100.0%	$8,388,200	100.0%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.16		
1983	1.16		
1982	1.16		
1981	1.13		
1980	1.12		

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 609,442,000	$ 11.98
1983	573,619,000	11.31
1982	526,400,000	10.40
1981	491,127,000	9.78
1980	451,613,000	9.11

Income Account
(000's)

Year ended	2/3/85	1/29/84
Net sales	$ 9,236,529	$ 8,388,155
Cost of sales	7,111,514	6,460,461
Expenses	1,836,748	1,640,461
Depreciation & amortization	87,223	77,861
Interest expense	27,627	21,900
Income before taxes	$ 173,417	$ 193,017
Income taxes	78,786	87,617
Net Income	$ 94,631	$ 105,400

Assets
(000's)

As of	2/3/85	1/29/84
Cash & short term securities	$ 119,406	$ 147,264
Receivables	60,743	48,152
*Inventories	688,520	702,383
Prepaid expenses & leases	29,692	24,615
Prop. for sale or leaseback	76,797	51,134
Current Assets	$ 975,158	$ 973,548
#Fixed assets	660,451	568,150
Prop. under cap. leases	123,904	127,658
Other assets	28,695	26,810
Intangibles	13,551	17,040
Total Assets	$ 1,801,759	$ 1,713,206

Liabilities
(000's)

Long-term debt, curr.	$ 7,845	$ 8,776
Cap. lease oblig. curr.	6,360	6,176
Accts. payable	404,822	374,658
Accruals	232,128	234,291
Income taxes	26,203	33,783
Curr. Liabilities	$ 677,358	$ 657,684
Long-term debt	231,903	224,453
Workers' comp. claims	56,551	37,647
Cap. lease oblig.	152,466	155,010
Deferred inc. taxes	56,639	47,343
+Redeem. pref. stock	17,400	17,450
+ +Common stock	63,563	63,425
Add. paid-in capital	194,854	193,486
Retained earnings	351,025	316,708
Total Liabilities & Shareholders' Equity	$ 1,801,759	$ 1,713,206

* At LIFO cost
# Less accumulated depreciation
+ No par value
+ + $1.25 par value

Statistical Summary

%Income bef. Taxes to Sales	1.88	2.30
%Net Income to Sales	1.02	1.26
%Net Income to Equity	15.53	18.37
Sales to Inventories	13.42	11.94
Working Capital	$297,800,000	$315,864,000
Current Ratio	1.44	1.48
Shareholders' Equity	$609,442,000	$573,619,000

L. Luria & Son, Inc.

5770 Miami Lakes Drive
Miami Lakes, Florida 33014
(305) 557-9000

Officers: Leonard Luria, president, treasurer & chief executive officer; Gloria Luria, secretary; David Brawer, sr. v.p.; Jose M. Lopez, v.p. & principal financial officer; Peter Luria, v.p. merchandising; Russ Hutchings, asst. v.p. operations; Henry S. Luria, asst. v.p. operations; Arthur Zevator, asst. v.p. gen. mdse.

Directors: Leonard Luria, David Brawer, Jose M. Lopez, Peter Luria, Sydney A. Luria, Edwin D. Marks, Carlos J. Arboleya, Harold Wolfson, Harry Diven, Jr.

Business Activities: Operates a chain of catalog showrooms throughout the state of Florida. The product mix includes jewelry, watches, silver, gift items, luggage and home electronic equipment.

Transfer Agent(s):

Barnett Banks Trust Company, N.A.
Jacksonville, Florida

Stock Exchange(s): American

Ticker Symbol: LUR

Number of Stores: (at fiscal year end)

1984	32	1981	19
1983	30	1980	16
1982	26		

Sales and Earnings

	Net Sales	Net Income
1984	$ 145,228,602	$ 6,836,810
1983	123,836,350	5,555,829
1982	108,906,993	4,622,376
1981	90,599,250	3,201,560
1980	76,399,046	3,234,359

	No. of Com. Shares ‡	Earn. per Share ‡
1984	5,438,256	$ 1.26
1983	5,199,884	1.07
1982	4,634,856	1.00
1981	4,344,815	0.74
1980	4,119,856	0.79

‡ Based on the weighted average number of common shares outstanding, adjusted to reflect stock dividend

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	3%	

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 46,709,014	$ 8.59
1983	39,874,200	7.67
1982	25,401,589	5.48
1981	20,779,213	4.78
1980	14,421,964	3.50

‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock dividend

Income Account *

Year ended	6/30/84	6/25/83
Net sales	$ 145,228,602	$ 123,836,350
Cost of sales	97,734,073	83,861,108
Expenses	35,175,742	30,182,244
Interest expense-income	(130,023)	(187,831)
Income before taxes	$ 12,448,810	$ 9,980,829
Income taxes	5,612,000	4,425,000
Net Income	$ 6,836,810	$ 5,555,829

* Included in Costs and Expenses: Depreciation $1,564,518 in 1984 and $1,212,897 in 1983

Assets

As of	6/30/84	6/25/83
Cash & short-term invest	$ 3,495,119	$ 3,866,645
Accts. receiv., net	417,736	301,139
*Inventories	57,980,561	49,594,357
Prepaid expenses	603,993	448,135
Current Assets	$ 62,497,409	$ 54,210,276
#Fixed assets	16,951,738	13,755,433
Other assets	259,042	354,585
Total Assets	$ 79,708,189	$ 68,320,294

Liabilities

Notes payable	$ 2,154,808	$ 669,817
Long-term debt, curr	27,560	25,135
Accts. payable	25,169,654	22,731,427
Accruals	2,585,031	2,414,001
Curr. Liabilities	$ 29,937,053	$ 25,840,380
Mortgage note payable	1,326,173	1,353,733
Deferred credits	1,735,949	1,251,981
+ Common stock	54,383	52,800
Add. paid-in capital	17,894,436	15,541,815
Retained earnings	28,760,195	24,279,585
Total Liabilities & Shareholders' Equity	$ 79,708,189	$ 68,320,294

* At cost (LIFO) for diamonds and jewelry. All others at lower of cost (FIFO) or market

Less accumulated depreciation

+ $.01 par value

Statistical Summary

%Income bef. Taxes to Sales	8.57	8.05
%Net Income to Sales	4.71	4.48
%Net Income to Equity	14.64	13.93
Sales to Inventories	2.50	2.49
Working Capital	$32,560,356	$28,369,896
Current Ratio	2.09	2.09
Shareholders' Equity	$46,709,014	$39,874,200

Macrose Industries Corporation

5600 Sunrise Highway
P.O. Box 343
Massapequa, New York 11758
(516) 798-9004

Officers: Milton Paulenoff, chairman; Alan Rosenthal, president; Marc Paulenoff, v.p.-secretary; Raymond Burke, v.p.-Retail Div.; David Kyte, v.p.-Canadian division

Directors: Milton Paulenoff, chairman; Alan Rosenthal; Marc Paulenoff

Business Activities: Engages in the wholesale and retail sales of lumber, building materials, and related items in New York. Its hardwood division sells lumber nationally as well as in Canada and Europe.

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MCOS (NASDAQ)

Sales and Earnings

	Net Sales	Net Income †
1984	$ 8,215,893	$ 20,886
1983	7,364,130	(440,860)
1982	7,781,271	(167,778)
1981	6,897,090	220,983
1980	8,109,089	166,555

	No. of Com. Shares #	Earn. per Share #†
1984	1,027,455	$ 0.02
1983	1,036,866	—
1982	1,033,705	
1981	1,032,768	0.21
1980	1,002,663	0.17

(Loss)

† Including extraordinary credit of $4,000 in 1984

Based on the average number of shares outstanding adjusted to reflect stock split

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984			
1983			
1982			—
1981			
1980			2½-for-1

Common Stock Equity

	Total Equity	Equity Per share ‡
1984	$ 1,150,710	$ 1.12
1983	1,129,824	1.10
1982	1,574,434	1.51
1981	1,737,712	1.69
1980	1,508,479	1.50

‡ Based on the average number of shares outstanding adjusted to reflect stock split

Income Account *

Year ended	2/29/84	2/28/83
Net sales	$ 8,215,893	$ 7,364,130
Cost of sales	5,976,313	5,281,222
Expenses	2,015,469	1,897,763
Interest expense	210,734	279,410
Loss from sale of domestic wholesale div		348,177
Eq. in loss of 50% owned subsid	11,509	6,991
Inc. (loss) bef. taxes	$ 24,886	$ (449,433)
Income taxes (credit)	8,000	(8,573)
Net Income (Loss)	$ 16,886	$ (440,860)
Extraordinary credit	4,000	—
Net Income (Loss) & extraord. credit	$ 20,886	$ (440,860)

* Included in Costs and Expenses, Depreciation and Amortization: $117,916 in 1984 and $141,755 in 1983

Assets

As of	2/29/84	2/28/83
Cash	$ 238,599	$ 146,079
Accts. receiv., net	506,818	522,692
Notes receiv	7,788	102,875
*Inventories	1,858,977	1,697,852
Refund inc. taxes	51,471	51,387
Other assets	175,890	157,735
Current Assets	$ 2,839,543	$ 2,678,620
#Fixed assets	1,049,389	1,090,258
Other assets	195,903	180,545
Total Assets	$ 4,084,835	$ 3,949,423

Liabilities

Notes payable	$ 492,267	$ 620,934
Long-term debt, curr	133,223	137,595
Accts. payable	1,046,524	863,890
Inc. taxes pay	—	9,800
Accruals	141,370	133,120
Curr. Liabilities	$ 1,813,384	$ 1,765,339
Long-term debt	1,120,741	1,054,260
+ Common stock	42,098	42,098
Add. paid-in capital	1,040,946	1,040,946
Retained earnings	77,666	56,780
Treasury stock	(10,000)	(10,000)
Total Liabilities & Shareholders' Equity	$ 4,084,835	$ 3,949,423

* At lower of cost (FIFO) or markets

Less accumulated depreciation and amortization

+ $0.04 par value

Statistical Summary

%Income bef. Taxes to Sales	0.30	—
%Net Income to Sales	0.21	—
%Net Income to Equity	1.47	—
Sales to Inventories	4.42	4.34
Working Capital	$1,026,159	$ 913,281
Current Ratio	1.57	1.52
Shareholders' Equity	$1,150,710	$1,129,824

R.H. Macy & Co., Inc.

151 West 34th Street
New York, New York 10001
(212) 560-3600

Officers: Edward S. Finkelstein, chairman of the board & chief executive officer; Mark S. Handler, president & chief operating officer; senior vice presidents: Donald Eugene-operations administration, Nat Kurtz-taxes, James O. York-planning and development, Gertrude G. Michelson-external affairs, Richard A. Wall-control, Mortimer B. Leavitt-financial administration, A. David Brown Jr.-personnel relations, Kenneth H. Straus-domestic & int'l buying; Marvin Fenster-special counsel & secretary; Herbert M. Hellman, gen. counsel; chief executive officers of retail store groups: Arthur E. Reiner-Macy's New York, Robert N. Friedman-Bamberger's, Philip Schlein-Macy's California, Herbert Friedman-Macy's Atlanta, Leslie A. Ball-Macy's Midwest

Directors: Stephen M. Du Brul, Jr.*, James O. York, J. Richardson Dilworth*, Edward S. Finkelstein*, Lawrence E. Fouraker*, Mark S. Handler*, Donald B. Smiley*, Kenneth H. Straus, Beverly Sills Greenough, Harold A. Shaub, Martha Peterson, Philip Schlein, Barbara S. Preiskel, Robert G. Schwartz, Herbert Freidman, Robert Freidman, Arthur E. Reiner, Robert G. Stone, Jack I. Straus

*Member of the Executive Committee

Business Activities: Operates a chain of department stores

Divisions:

Bamberger's
131 Market Street
Newark, New Jersey 07101
(201) 565-1234

Macy's California
Stockton & O'Farrell Streets
San Francisco, California 94119
(415) 397-3333

R.H. Macy & Co., Inc.

Macy's Atlanta
180 Peachtree Street
Atlanta, Georgia 30303
(404) 221-7221

R.H. Macy Corporate Buying
151 West 34th Street
New York, New York 10001

R.H. Macy Properties
151 West 34th Street
New York, New York 10001

Macy's New York, Inc.
Herald Square
New York, New York 10001
(212) 695-4400

Macy Credit Corp.
151 West 34th Street
New York, New York 10001
(212) 279-9829

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
One New York Plaza
New York, New York 10081

Stock Exchange(s): New York, Pacific

Ticker Symbol: MZ

Number of Stores: (at fiscal year end)

1984	96	1981	92
1983	93	1980	87
1982	92		

Sales and Earnings

	Net Sales ‡ (000's)	Net Income (000's)
1984	$ 4,065,139	$ 221,805
1983	3,468,144	186,678
1982	2,979,391	135,571
1981	2,656,689	118,739
1980*	2,373,531	102,260

	No. of Com. Shares +	Earn. per Share ‡ ‡
1984	51,000,220	$ 4.37
1983	50,340,670	3.72
1982	49,644,589	2.74
1981	49,085,781	2.43
1980*	47,884,815	2.14

*53 weeks.
+ Adjusted to reflect stock splits.
‡ Includes licensed departments.
‡‡ Based on the average number of common shares outstanding adjusted to relect stock splits.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$0.92	—	—
1983	0.73⅓	—	3-for-2
1982	0.62½	—	2-for-1
1981	0.54⅙	—	—
1980	0.45⅚	—	—

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity#	Equity Per Share †
1984	$1,152,202,000	$ 22.59
1983	954,956,000	18.97
1982	784,775,000	15.81
1981	676,413,000	13.78
1980	571,718,000	11.94

After allowing for preferred stock Series A at a redemption value of $107.50 per share.
† Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended	7/28/84	7/30/83
Net sales	$ 4,065,139	$ 3,468,144
Cost of sales	2,744,690	2,349,480
Expenses	817,509	689,650
Other income	(16,088)	(9,501)
Interest expense	81,492	70,237
Income before taxes	$ 437,536	$ 368,278
Income taxes	215,731	181,600
Net Income	$ 221,805	$ 186,678

* Included in Costs and Expenses. Depreciation: $88,970,000 in 1984 and $78,697,000 in 1983.

Assets
(000's)

As of	7/28/84	7/30/83
Cash	$ 71,661	$ 171,609
Accts. receiv., net	58,347	59,760
Other receiv.	43,840	31,565
*Inventories	756,553	596,915
Prepaid expenses	24,498	19,530
Current Assets	$ 954,899	$ 879,379
#Fixed Assets	943,998	802,598
Other assets	247,546	211,466
Total Assets	$ 2,146,443	$ 1,893,443

Liabilities
(000's)

Long-term debt, curr.	$ 12,219	$ 5,906
Accts. payable & accruals	412,284	377,108
Income taxes	217,321	197,704
Cap. lease. oblig., curr.	3,343	3,791
Curr. Liabilities	$ 645,167	$ 584,509
Long-term debt	132,070	144,289
Defer. compensation	27,776	25,364
Other deferred credits	20,028	19,703
Deferred inc. taxes	63,926	55,874
Defer. investment credit	26,014	25,082
Cap. lease oblig.	62,774	67,180
+ Preferred stock: 4¼% Series A	15,336	15,336
+ + Common stock	71,258	71,144
Add. paid-in capital	115,659	90,813
Retained earnings	983,398	808,270
Treasury stock	(3,821)	(7,821)
Deferred compens.	(13,142)	(6,300)
Total Liabilities & Shareholders' Equity	$ 2,146,443	$ 1,893,443

* Determined by the retail inventory method using LIFO cost for 71% of inventory; remainder at lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $100 par value.
+ + $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.76	10.62
%Net Income to Sales	5.46	5.38
%Net Income to Equity	18.98	19.22
Sales to Inventories	5.37	5.81
Working Capital	$ 309,732,000	$294,870,000
Current Ratio	1.48	1.50
Shareholders' Equity	$1,168,688,000	$971,442,000

Malone & Hyde, Inc.

1991 Corporate Avenue
Memphis, Tennessee 38132
(901) 345-4200

Officers: Joseph R. Hyde, III, chairman of the board & president; Peter R. Formanek, exec. v.p.-retailing; John E. Moll, exec. v.p.-wholesale food distribution; J. Lester Crain, Jr., v.p., general counsel & secretary; Lawrence L. Crane, Jr., v.p. & president - Piggly Wiggly Corporation; Robert F. Harris, v.p.-wholesale food distribution; Robert A. Sandifer, v.p.-information systems; Dan R. Scott, treasurer

Directors: Joseph R. Hyde III, Arthur C. Best, Paul T. Graves, Margaret R. Hyde, Robert C. Rogers, Frederick W. Smith, Carl S. Petty, Ronald F. Wippern

Business Activities: Operates principally in two segments of business: food distribution, including wholesale and retail distribution with related services, and specialty retailing of drugs, sporting goods and auto parts.

Divisions and Subsidiaries:

Retail Food and Drug

Giant Foods of America
888 South White Station Road
Memphis, Tennessee 38117
(901) 767-0254

Sureway Food Stores
1525 South Green Street
P.O. Box 22
Henderson, Kentucky 42420
(502) 827-9883

Super D Drugs
1451 Union Avenue
Memphis, Tennessee 38104
(901) 278-5162

Drug Distributors and Service Merchandising
4681 Burbank Road
Memphis, Tennessee 38118
(901) 794-8660

Sunset Sport Centers
Wolfe's Sporting Goods
Salt Lake City, Utah

Auto Shack
Memphis, Tennessee

Piggly Wiggly Corporation
Franchisor of retail grocery stores and grocery wholesale

Transfer Agent(s):

First Tennessee Bank, N.A.
P.O. Box 84
Memphis, Tennessee 38101

Stock Exchange(s): New York, Philadelphia

Ticker Symbol: MHI

Number of Stores: (at fiscal year end)

	Super-markets	Drug Stores
1983	49	106
1982	59	115
1981	56	166
1980	43	160
1979	44	148

	Auto Parts	Sporting Goods
1983	106	36
1982	65	36
1981	34	36
1980	14	24
1979	1	22

Sales and Earnings

	Net Sales ‡ (000's)	Net Income (000's)
1983	$ 2,601,335	$ 34,014
1982	2,192,868	27,759
1981	2,146,587	18,283
1980	1,854,466	24,847
1979*	1,615,838	21,267

	No. of Com. Shares #	Earn. per Share #
1983	16,025,000	$ 2.12
1982	15,775,000	1.76
1981	15,800,000	1.16
1980	15,312,000	1.62
1979*	14,784,000	1.44

* 53 weeks.
‡ Includes other income, of continuing operations only.
# Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1983	%	1982	%
Food distribution	$2,346,700	90.2	$1,974,300	90.5
Specialty retailing	254,600	9.8	218,500	9.5
Total Revenue	$2,601,300	100%	$2,192,800	100%

Common Stock †

	Cash Dividend	Stock Dividend	Stock Split
1983	$0.76	—	2-for-1
1982	0.70	—	—
1981	0.64	—	—
1980	0.56	—	—
1979	0.48	—	—

† Adjusted to reflect stock split

Common Stock Equity †

	Total Equity	Equity Per Share
1983	$ 187,148,000	$ 12.18
1982	171,155,000	11.11
1981	156,741,000	10.06
1980	144,493,000	9.46
1979	122,726,000	8.39

† Adjusted to reflect stock split

Income Account *
(000's)

Year ended	6/25/83	6/26/82
Net sales & other income	$ 2,601,335	$ 2,192,868
Cost of sales	2,282,981	1,923,560
Expenses	249,296	211,523
Interest expense	8,030	8,055
Income before taxes	$ 61,028	$ 49,730
Income taxes	27,014	21,971
Net Income	$ 34,014	$ 27,759

* Included in Cost and Expenses, Depreciation and Amortization: $19,914,000 in 1983 and $16,769,000 in 1982.

Assets
(000's)

As of	6/25/83	6/26/82
Cash	$ 1,013	$ 969
Short-term investments	24,000	15,000
Accts. & notes receiv., net	63,418	59,194
*Inventories	181,800	162,836
Prepaid expenses	4,716	3,880
Current Assets	$ 274,947	$ 241,879
#Fixed assets	148,894	131,364
Other assets	44,110	38,188
Total Assets	$ 467,951	$ 411,431

Liabilities
(000's)

Long-term debt, curr.	$ 6,835	$ 9,623
Accts. payable & accruals	133,848	110,937
Checks outstanding	24,495	16,554
Trading stamp redemption	10,711	9,700
Dividends payable	2,974	2,698
Income taxes	11,028	6,164
Curr. Liabilities	$ 189,891	$ 155,676
Long-term debt	79,931	73,620
Other liabilities	10,981	10,980
+ Common stock	15,360	7,700
Add. paid-in capital	16,511	30,526
Retained earnings	155,277	132,929
Total Liabilities & Shareholders' Equity	$ 467,951	$ 411,431

* At lower of cost or market. LIFO for wholesale groceries, FIFO for the remainder.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.34	2.27
%Net Income to Sales	1.30	1.27
%Net Income to Equity	18.17	16.22
Working Capital	$ 85,056,000	$ 86,203,000
Current Ratio	1.44	1.55
Shareholders' Equity	$187,148,000	$171,155,000

Manhattan Industries, Inc.

Corporate Offices:

1271 Avenue of the Americas
New York, New York 10020
(212) 265-3700

Administrative Offices:

25 DeBoer Drive
Glen Rock, New Jersey 07452
(201) 447-2000

Officers: Laurence C. Leeds, Jr., chairman of the board & president; Donald H. Kallman, vice chairman of the board, exec. v.p. & chairman of the executive committee; Samuel M. Miller, v.p., secretary, treasurer & controller; Bruce P. Fogwell, v.p.-advertising & public relations; Zachary Soloman, v.p.-marketing.

Directors: Roy M. Goodman, Thomas Hoving, Donald H. Kallman*, Harvey N. Krueger, E. John Rosenwald, Laurence C. Leeds, Jr.*, Jack Lyons, Irving Matthews, Vera Neumann, Irving Silverman, Carl Spielvogel, Louis C. Stengel, Jr.*

* Member of the Executive Committee.

Business Activities: Manufactures and retails men's, women's and children's apparel. The Apparel Division consists of three companies manufacturing men's wear. The Retail Division is composed of three regional groups with 92 stores. The Company's International Division represents Manhattan Industries around the world with 32 Manhattan licensees operating in 47 countries. The major specialty store, Frost Brothers, Inc., in San Antonio, Texas has 13 stores. The 28 stores operated by Manhattan Ward, Inc., located in Pennsylvania, New Jersey, Maryland, Virginia and Delaware sell men's clothing and men's furnishings; these stores are called The Hub. The 51 stores operated by Manhattan Factory Outlet sell men's, women's and children's wear and domestic furnishings in the Northeast and South.

Divisions and Subsidiaries:

Apparel Division:

Men's Wear

The Manhattan Shirt Company
1271 Avenue of the Americas
New York, New York 10020
(212) 215-3700
Manufactures and sells men's shirts, sportshirts, sport knits and pajamas. Manufacturing plants: Americus, Georgia.

Manhattan Accessories Division
1271 Avenue of the Americas
New York, New York 10020

Berkley Cravats, Inc.
1271 Avenue of the Americas
New York, New York 10020
(212) MU 5-3163
Markets men's neckwear and furnishings. Mfg. plant: New York, New York.

Harness House
1271 Avenue of the Americas
New York, New York 10020
(212) 581-5150
Manufactures and sells men's and young men's belts, wallets and small leather goods. Mfg. plant: New Berlinville, Pennsylvania.

Perry Ellis Men
575 Seventh Avenue
New York, New York 10018
Designs and markets men's sportswear, shirts, and neckwear.

John Henry for Men
1271 Avenue of the Americas
New York, New York 10020
Markets men's shirts, sportshirts and accessories.

Henry Grethel For Men
1271 Avenue of the Americas
New York, New York 10020
Markets designer sportswear, shirts and furnishings.

Women's Wear

MI Designer Group
1411 Broadway
New York, New York 10018

Anne Klein for New Aspects
Michaele Vollbracht Overs
Mike Vollbracht Sportswear
Liquidity by Alice Blaine
Manufactures and sells women's blouses and sportswear.

The Lady Manhattan Company
1407 Broadway
New York, New York 10018
(212) 265-3700
Manufactures and sells blouses. Mfg. plants: Scranton, Pennsylvania.

The Vera Companies
417 Fifth Avenue
New York, New York 10016
Manufactures and sells women's sportswear, dresses, scarves and table linens. Mfg. plants: Puerto Rico and Grafton, West Virginia.

John Henry for Women
1411 Broadway
New York, New York 10018
Markets women's shirts and tops.

Bayard International
Ocala, Florida
Manufactures and sells ladies' dresses and shirts. Mfg. plant: Ocala, Florida; Jessup, Georgia.

Henry Grethel For Women
1411 Broadway
New York, New York 10018
Markets women's shirts, tops and sportswear.

Perry Ellis Sportswear
575 Seventh Avenue
New York, New York
Designs and markets women's sportswear.

Children's Wear

Pelican Fashion Industries
Jayco Knitwear/Seacrest Blouses
112 West 34th Street
New York, New York 10001
(212) OX-5-8480
Manufactures and sells girl's sportswear, knitwear and blouses. Mfg. Plant: Hialeah, Florida.

Manhattan Industries, Inc.

Retail Division

Frost Bros., Inc.
217 East Houston Street
San Antonio, Texas 78295
(512) CA 6-7131

Manhattan Ward, Inc.
550 Brook Road
Conshohocken, Pennsylvania 19428
(215) 925-3700

Manhattan Factory Outlet
1501 Broadway
Fair Lawn, New Jersey 07410
(201) 799-8660

Licensing Division

Manhattan Licensing
1271 Avenue of the Americas
New York, New York 10020
(212) 265-3700

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
New York, New York

Stock Exchange(s): New York

Ticker Symbol: MHI

Sales and Earnings

		Net Sales (000's)		Net Income (000's)
1985	$	520,688	$	1,124
1984		432,992		11,547
1983		394,654		7,525
1982		377,772		9,715
1981		314,865		5,175

	No. of Com. Shares ‡	Earn. per Share ‡
1985	4,526,000	$ 0.22
1984	3,831,000	2.89
1983	3,543,000	1.92
1982	3,385,000	2.63
1981	3,331,000	1.31

‡ Based on the average number of shares outstanding adjusted to reflect stock dividends

Revenues By Line of Business

		1985		1984
Apparel manufacturing	$	366,083,000	$	297,260,000
Specialty store retailing		170,214,000		151,240,000
Inter company sales		(15,609,000)		(15,508,000)
Total	$	520,688,000	$	432,992,000

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1985	$0.30	4%	—
1984	0.30	4%	—
1983	0.30	4%	—
1982	0.30	4%	—
1981	0.30	4%	—

‡ Adjusted to reflect stock dividends

Common Stock Equity

		Total Equity ‡	Equity Per Share #
1985	$	83,040,000	$ 18.34
1984		72,721,000	18.98
1983		59,987,000	16.93
1982		53,337,000	15.76
1981		44,981,000	13.50

‡ After allowing for convertible preferred stock at involuntary liquidation value

Based on the average number of shares outstanding adjusted to reflect stock dividends

Income Account *
(000's)

Year ended Jan. 31		1985		1984
Net sales	$	520,688	$	432,992
Cost of sales		374,682		295,279
Expenses		135,866		112,501
Royalty & other income		(5,020)		(4,785)
Interest expense		14,936		9,650
Income bef. taxes	$	224	$	20,347
Income taxes (credit)		(900)		8,800
Net Income	$	1,124	$	11,547

* Included in Costs and Expenses: Depreciation and Amortization: $5,979,000 in 1984 and $5,249,000 in 1983

Assets
(000's)

As of Jan. 31		1985		1984
Cash	$	4,810	$	3,961
Accts. receiv., net		49,921		51,410
*Inventories		129,252		99,336
Prepaid expenses		4,548		3,929
Current Assets	$	188,531	$	158,636
Investments & other assets		4,480		4,159
#Fixed assets		44,542		30,794
Prop. under cap. leases		3,903		4,795
Total Assets	$	241,456	$	198,384

Liabilities
(000's)

		1985		1984
Notes payable	$	33,094	$	5,905
Long-term debt, curr.		2,963		3,008
Accts. payable		43,021		46,819
Income taxes		4,042		6,616
Curr. Liabilities	$	83,120	$	62,348
Long-term debt		56,461		46,454
Cap. lease oblig.		4,020		4,733
Deferred inc. taxes		11,096		9,287
Other liabilities		3,157		2,272
+ Preferred stock		562		569
+ Common stock		4,647		3,894
Add. paid-in capital		45,218		31,778
Retained earnings		33,175		37,049
Total Liabilities & Shareholders' Equity	$	241,456	$	198,384

* At lower of cost (average method for manufacturing operations and retail method for retail store operations) or market

Less accumulated depreciation and amortization

+ $1 par value

Statistical Summary

	1985	1984
% Income bef. Taxes to Sales	0.04	4.70
% Net Income to Sales	0.22	2.67
% Net Income to Equity	1.34	15.76
Sales to Inventories	4.03	4.36
Working Capital	$105,411,000	$96,288,000
Current Ratio	2.27	2.54
Shareholders' Equity	$83,602,000	$73,290,000

Marcade Group, Inc.

(formerly Unishops, Inc.)

21 Caven Point Avenue
Jersey City, New Jersey 07305
(201) 433-0100

Officers: Herbert I. Wexler, chairman of the board & president; John Kuehn, sr. v.p.-finance & adm.; Herman S. Greitzer, vice president, secretary & general counsel; Lawrence Brustein, v.p. & treasurer; Harvey A. Goldberg, v.p. & controller

Directors: Leon Smith, Mark N. Kaplan, Herman S. Greitzer, John Kuehn, Mitchell W. Rabbino, Herbert I. Wexler, Joseph S. Scher, Louis Carrol, Leon Ruchlamer

Business Activities: Owns Central Textiles, Inc., which operates one domestics specialty store and 28 leased departments in stores owned by others located in 10 states in the East and Midwest. The Paul Marshall Products division is an importer-distributor of home furnishings and gift items from the Far East.

Divisions and Subsidiaries:

Marlene Industries Corporation
New York, New York

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York 10249

Stock Exchange(s): New York

Ticker Symbol: MAR

Number of Stores: (at fiscal year end)

1984	N.A.	1981	17
1983	18	1980	15
1982	18		

N.A.-Not Available

Sales and Earnings

		Revenues +		Net Income#
1985	$	71,383,000	$	(21,934,000)
1984		140,217,000		(8,838,000)
1983*		154,529,000		(8,186,000)
1982		156,526,000		4,652,000
1981		154,429,000		3,444,000

	No. of Com. Shares	Earn. per Share ‡
1985	9,274,824	$ —
1984	9,397,545	—
1983*	9,349,430	—
1982	9,314,567	0.49
1981	8,956,640	0.38

(Loss)
* 53 weeks
+ Of continuing operations only
‡ Based on the weighted average number of common shares outstanding
# Including extraordinary gains of $491,000 ($0.05 per share) in 1982 and $1,146,000 ($0.13 per share) in 1981

Common Stock Equity

		Total Equity	Equity Per Share
1985	$	(4,411,000)	$ —
1984		17,748,000	1.89
1983		26,447,000	2.83
1982		34,584,000	3.71
1981		29,653,000	3.31

(Deficiency)

Income Account
(000's)

Year ended		1/26/85		1/28/84
Revenues	$	71,383	$	140,217
Cost of sales		68,460		122,032
Expenses		15,515		19,109
Interest expense		5,143		5,547
Loss on dispos. of units		1,193		800
Loss-cont. oper.	$	(18,928)	$	(7,271)
Loss-discont. oper.		(3,006)		(1,567)
Net Loss	$	(21,934)	$	(8,838)

Assets
(000's)

As of	1/26/85	1/28/84
Cash	$ 2,791	$ 9,456
Assets to be disposed	8,077	6,948
Receivables, net	8,286	15,566
*Inventories	20,224	44,357
Prepaid expenses	1,471	1,234
Current Assets	$ 40,849	$ 77,561
#Fixed assets	3,351	5,498
Leasehold costs, rent deps. & other assets	1,667	3,097
Intangibles	—	2,463
Total Assets	$ 45,867	$ 88,619

Liabilities
(000's)

Notes payable	$ 9,350	$ 11,000
Long-term debt, curr	24,980	5,926
Accts. payable	5,307	7,143
Accruals	5,552	11,478
Acceptances payable	—	3,865
Est. costs of dispos.	4,473	5,122
Curr. Liabilities	$ 49,662	$ 44,534
Long-term debt	616	26,337
+ Common stock	954	953
Add. paid-in capital	4,005	3,990
Retained earnings (deficit)	(8,452)	13,482
Treasury stock	(918)	(677)
Total Liabilities & Shareholders' Equity	$ 45,867	$ 88,619

* At lower of cost or market by the retail method, mfg. inventories at lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

Sales to Inventories	3.53	3.16
Working Capital	—	$33,027,000
Current Ratio	—	1.75
Shareholders' Equity (Deficiency)	$(4,411,000)	$17,748,000

Marks & Spencer Canada Inc.

Registered Office
5590 Royalmount Avenue
Town of Mount Royal
Quebec, H4P 1J2
Canada
(514) 731-7554

Executive Office
3770 Nashua Drive
Mississauga, Ontario L4T 3R1
Canada
(416) 676-1910

Officers: Derek Rayner, chairman; Malcolm G. Hobbs, president; Darrel A. Hayes, treasurer; P. Andre Gervais, secretary.

Directors: Abe Gold, William W. Laird, R. Andre Gervais, Derek Rayner, Marcus Sieff, Darrel A. Hayes, Donald M. Deacon, James H. McPake, Malcom G. Hobbs, J. Ruth Smith.

Areas of Work: Operates a chain of retail stores across Canada, through three divisions. Marks & Spencer Division operates a retail chain specializing in family clothing, household textiles and food specialities (all under the "St. Michael" brand). Peoples Division operates a medium to low priced junior department store chain. D'Allaird's Division operates a chain of women's apparel stores.

Transfer Agent(s):

Canada Permanent Trust Company
Montreal, Quebec, Canada
Toronto, Ontario, Canada

Stock Exchange(s): Montreal, Toronto

Ticker Symbol: MKS

Number of Stores: (at fiscal year end)

1985	227	1982	203
1984	213	1981	189
1983	209		

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 295,331,000	$ 7,542,000
1983	276,648,000	7,646,000
1982	251,141,000	4,855,000
1981	226,324,000	4,721,000
1980	207,889,000	6,567,000

	No. of Com. Shares †	Earn. per Share ‡ +
1984	10,567,095	$ 0.71
1983	10,544,372	0.73
1982	10,467,452	0.46
1981	10,460,342	0.45
1980	10,459,276	0.63

‡ Including extraordinary gains of $1,250,000 ($0.13 per share) in 1981 and $2,950,000 ($0.31 per share) in 1980.
† Adjusted to reflect stock split.
+ Based on the weighted average number of shares outstanding during each year adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.28	—	2-for-1
1983	0.15'	—	—
1982	0.10	—	—
1981	0.10	—	—
1980	0.05	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1984	$ 29,481,000	$ 2.79
1983	35,101,000	3.33
1982	28,564,000	2.73
1981	24,722,000	2.36
1980	21,047,000	2.01

‡ After allowing for preferred stock at stated value.
† Adjusted to reflect stock split.

Income Account
(000's)

Year ended Jan. 31	1985	1984
Net sales	$ 295,331	$ 276,648
Cost of sales & expenses	249,320	232,553
Rent expense	24,369	22,608
Depreciation & amortization	6,138	5,150
Interest expense	1,912	2,080
Corp. exp.	648	449
Income before taxes	$ 12,944	$ 13,808
Income taxes	5,300	5,950
Income-cont. oper.	$ 7,644	$ 7,858
Loss-discont. oper.	(102)	(212)
Net Income	$ 7,542	$ 7,646

Assets
(000's)

As of Jan. 31	1985	1984
Cash & short-term deposits	$ 9,451	$ 5,041
Accts. receiv., net	1,036	1,080
*Inventories	60,338	54,765
Prepaid expenses & other assets	1,930	1,738
Current assets	$ 72,755	$ 62,624
#Fixed assets	52,565	47,959
Other assets	1,380	1,235
Total Assets	$ 126,700	$ 111,818

Liabilities
(000's)

Bank advances	$ 18,483	$ —
Accts. payable	26,384	29,621
Taxes payable	137	4,938
Curr. Liabilities	$ 45,004	$ 34,559
Loan payable	35,000	35,000
Mortgages payable	—	349
Deferred inc. taxes	3,550	3,400
+ Preferred stock	3,500	3,500
+ + Common stock	10,165	10,165
Retained earnings	29,481	24,845
Total Liabilities & Shareholders' Equity	$ 126,700	$ 111,818

* At lower of cost and net realizable value, less normal profit margin as determined by the retail method of inventory valuation.
# Less accumulated depreciation and amortization.
+ No par value.
+ + No par value.

Statistical Summary

% Net Income to Equity	17.48	19.85
Sales to Inventories	4.89	5.05
Working Capital	$27,751,000	$28,065,000
Current Ratio	1.62	1.81
Shareholders' Equity	$43,146,000	$38,510,000

Mars Stores, Inc.

(formerly Mars Bargainland, Inc.)

680 Spring Street
North Dighton, Massachusetts 02764

Officers: Matthew Tatelbaum, chairman of the board; Paul Kwasnick, president & chief exec. officer; Paul Bready, v.p.-operations; Paul Glaser, v.p.-soft goods merchandise; David Tatelbaum, v.p.-hard goods mdse.; Frank Del Toro, v.p.-sales promotion; James M. Lynch, v.p.-finance & treasurer; Benjamin H. Lacy, clerk.

Directors: Matthew Tatelbaum*, chairman; Samuel Katz*, Ira R. Tatelbaum, Harvey Krentzman, Benjamin Lacy, Paul Kwasnick*, Allan M. Glick, Robert C. Hussey, Mark S. Albion, Calvin Siegal.

* Member of the Executive Committee

Areas of Work: Operates self-service discount department stores in New England, under the names of Mars Stores, Big Valley Outlets, Odd-Lot Stores, and Gaynes Department Store.

Transfer Agent(s):

State Street Bank & Trust Company
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MXXX (NASDAQ)

Number of Stores: (at fiscal year end)

1984	17	1981	7
1983	12	1980	7
1982	7		

Sales and Earnings

	Net Sales	Net Income
1984	$ 65,443,630	$ 1,335,192
1983	38,114,444	762,177

1982	25,285,820	424,657
1981	23,133,515	347,732
1980	21,341,098	512,898

	No. of Com. Shares	Earn. per Share ‡
1984	1,620,250	$ 0.81
1983	1,557,750	0.61
1982	1,076,500	0.39
1981	1,026,500	0.34
1980	1,027,500	0.50

‡ Including extraordinary credits of $125,000 ($0.11 per share) in 1982, $41,000 ($0.04 per share) in 1981 and $213,000 ($0.21 per share) in 1980.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 6,975,825	$ 4.30
1983	5,725,504	3.68
1982	2,871,868‡	2.67
1981	2,411,111‡	2.35
1980	2,057,576‡	2.00

‡ After allowing for preferred stock at redemption value of $105 per share.

Income Account *

Year ended	1/26/85	12/31/83
Net sales	$ 65,443,630	$ 38,114,444
Other income	1,009,760	1,011,158
Total income	$ 66,453,390	$ 39,125,602
Cost of sales	45,497,177	26,157,977
Expenses	18,192,751	11,341,816
Interest expense	438,270	204,632
Income before taxes	$ 2,325,192	$ 1,421,177
Income tax	990,000	659,000
Net Income	$ 1,335,192	$ 762,177

* Included in Costs and Expenses, Depreciation and Amortization: $543,362 in 1984 and $358,553 in 1983.

Assets

As of	1/26/85	12/31/83
Cash	$ 2,214,592	$ 3,019,901
*Inventories	14,921,418	7,752,577
Other curr. assets	566,642	405,988
Current Assets	$ 17,702,652	$ 11,178,466
#Fixed assets	4,294,492	2,645,473
Other assets	1,124,521	839,062
Total Assets	$ 23,121,665	$ 14,663,001

Liabilities

Long-term debt, curr.	$ 435,714	$ 221,429
Cap. lease oblig., curr.	163,000	197,000
Accts. payable & accruals	8,177,070	5,455,653
Compensation & related taxes	488,091	343,181
Other taxes	180,523	284,456
State income taxes	383,920	185,002
Curr. Liabilities	$ 9,828,318	$ 6,686,721
Long-term debt, curr.	5,203,522	1,119,776
Cap. lease oblig.	800,000	973,000
Def. inc. taxes	314,000	158,000
+ Common stock	811,125	779,875
Add. paid-in capital	3,095,613	3,078,338
Retained earnings	3,071,587	1,869,791
Treasury stock	(2,500)	(2,500)
Total Liabilities & Shareholders' Equity	$ 23,121,665	$ 14,663,001

* At lower of cost (FIFO) or market, determined by the retail inventory method.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

% Income before Taxes to Sales	3.55	3.73
% Net Income to Sales	2.04	2.00
% Net Income to Equity	19.14	13.31
Sales to Inventories	4.38	4.92
Working Capital	$7,874,334	$4,491,745
Current Ratio	1.80	1.67
Shareholders' Equity	$6,975,825	$5,725,504

Marsh Supermarkets, Inc.

P.O. Box 155
501 Depot Street
Yorktown, Indiana 47396
(317) 759-8101

Officers: William P. Givens, chairman of the board; Don E. Marsh, president & chief exec. officer; C. Alan Marsh, exec. vice president; William L. Marsh, v.p. real estate; Donald M. Rix, v.p. merchandising; Ronald R. Walicki, v.p. convenience store operations; P. Lawrence Butt, v.p. & counsel; Porter Eckerty, v.p. supermarket operations; Kenneth D. Kelly, v.p. warehousing & transportation; John S. Hayford, v.p. finance and treasurer; John W. Laboda, v.p. Management Information Systems and Services; Ronald P. Stolz, assistant v.p. administration; Mary B. Needler, asst. secretary & asst. treasurer; David M. Redden, v.p. personnel; Lois A. Gross, asst. secretary.

Directors: Jack E. Buckley, William P. Givens, Don E. Marsh, Estel V. Marsh, C. Alan Marsh, Garnet Marsh, Van P. Smith, Charles R. Clark, Stephen M. Huse, Durward S. Doyle.

Areas of Work: Operates supermarkets, combination food and drug stores, and Village Pantry convenience stores in Indiana and Ohio. Also operates 5 fresh produce markets under the name of "Farmers' **Market**". In addition, the company operates 9 drug stores in its supermarkets and a greenhouse business which supplies potted plants sold in flower departments of its stores.

Divisions and Subsidiaries:

Village Pantry Division
Supermarket Division
Drug Division

All at
Yorktown, Indiana 47396
(317) 759-8101

Subsidiaries:

Mundy Realty, Inc.
Marsh Village Pantries, Inc.
Mar Properties, Inc.
Marlease, Inc.
American Guaranty Corporation
Maraines Greenery, Inc.
Foxfire Restaurants, Inc.
Micron Restaurant Equipment and Supply

All at
Yorktown, Indiana 47396
(317) 759-8101

Convenience Store
Distributing Company
(unconsolidated, joint venture)

Transfer Agent(s):

The Indiana National Bank
Indianapolis, Indiana

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MARS (NASDAQ)

Number of Stores: (at fiscal year end)

	Super-Markets	Village Pantrys	Foxfires
1985	74	154	—
1984	74	142	—
1983	76	140	1
1982	70	131	8
1981	67	123	

	Farmers Market	Marsh Xtra Stores
1985		9
1984	4	
1983	5	
1982	5	
1981	3	

Sales and Earnings

	Net Sales	Net Income
1985	$ 628,146,000	$ 4,716,000
1984	604,952,792	1,624,520
1983	567,955,671	4,582,506
1982	535,364,598	7,182,470
1981	491,610,322	4,500,620

	No. of Com. Shares	Earn. Per Share †
1985	3,727,929	$ 1.26
1984	3,737,029	0.43
1983	3,717,629	1.29
1982	3,252,629	2.21
1981	3,252,629	1.39

† Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.48		
1984	0.48		
1983	0.48		
1982	0.42		
1981	0.36		

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 47,537,000	$ 12.75
1984	44,337,813	11.86
1983	44,177,011	11.88
1982	36,089,014	11.10
1981	30,272,649	9.31

Income Account *

Year ended	3/30/85	3/31/84
Net sales	$ 628,146,000	$ 604,953,000
Other income	4,083,000	3,330,000
Total income	$ 632,229,000	$ 608,283,000
Cost of sales	490,762,000	477,899,000
Expenses	129,572,000	123,295,000
Interest expense	5,530,000	5,642,000
Income before taxes	$ 6,365,000	$ 1,447,000
Income taxes (credit)	1,649,000	(178,000)
Net Income	$ 4,716,000	$ 1,625,000

* Included in Costs and Expenses, Depreciation and Amortization: $7,823,000 in 1985 and $7,479,950 in 1984.

Assets

As of	3/30/85	3/31/84
Cash & temp. invest.	$ 6,452,000	$ 12,115,000
Emp. benefit costs	4,850,000	
Recov. inc. taxes		2,431,000
Accts. & notes receiv., net	2,771,000	2,446,000
*Inventories	38,048,000	35,881,000
Prepaid expenses	1,227,000	1,518,000
Current Assets	$ 53,348,000	$ 54,391,000
#Fixed assets	63,567,000	59,128,000
Other assets	8,251,000	7,438,000
Cap. lease property	21,108,000	22,991,000
Total Assets	$ 146,274,000	$ 143,948,000

Liabilities

Long-term debt, cur	$ 1,913,000	$ 1,574,000
Oblig under cap leases, curr	1,554,000	1,397,000
Accts payable	19,472,000	20,182,000
Accruals	3,367,000	2,159,000
Accrued payroll	6,199,000	5,340,000
Dividends payable	447,000	448,000
Taxes	4,103,000	3,292,000
Income taxes	2,163,000	2,270,000
Curr Liabilities	$ 39,218,000	$ 36,662,000
Long-term debt	25,465,000	28,793,000
Cap lease oblig	24,224,000	25,659,000
Deferred inc taxes	8,308,000	6,773,000
Other defer items	1,522,000	1,723,000
+ Common stock	15,712,000	15,848,000
Retained earnings	34,064,000	31,139,000
Treasury stock	(1,493,000)	(1,493,000)
Deffered cost	(746,000)	(1,156,000)
Total Liabilities & Shareholders' Equity	$ 146,274,000	$ 143,948,000

* Supermarket and wearhouse inventories of food products stated at cost (LIFO) All other inventories at lower of cost (FIFO) or market
# Less accumulated depreciation and amortization
+ No par value

Statistical Summary

%Income bef Taxes to Sales	1.01	0.24
%Net Income to Sales	0.75	0.27
%Net Income to Equity	9.92	3.66
Sales to Inventories	16.51	16.86
Working Capital	$14,130,000	$17,729,000
Current Ratio	1.36	1.48
Shareholders' Equity	$47,537,000	$44,338,000

The May Department Stores Company

611 Olive Street
St. Louis, Missouri 63101
(314) 342-6300

Officers: David C Farrell, president & chief executive officer, Allan J Bloostein, Thomas A Hays, Richard Battram, vice chairmen, Lawrence F Honig, exec v p -strategic planning & human resources; Henry A Lay, exec v p -real estate & improvements; Jerome T Loeb, exec v p , controller & chief financial officer; Steven J Douglass, John F Danahy, Louis J Garr, Jr , Carl E Tooker, R Dean Wolfe, Michael Zoroya, senior vice presidents; Frank J Williams, Jr , v p -public affairs & counsel; Richard A Smith, v p & treasurer; Richard A Brickson, v p , counsel, & secretary; James Abrams, v p -corporate communications; Robert B Aldridge, v p -shortage control and security; William M Goddard, v p -risk management and insurance; James R Bodemuller, v p -merchandise information systems; James D Lynch, v p -executive recruiting;Frank D Gunter, v p -taxes; Richard R Hettlinger, v p -financial and operational auditing; Charles B Luber, v p -real estate; M Jeffrey Branman, v p -division strategy; Laurence M Hellman, v p -merchandise research; Jed L Norden, v p executive development; Henry A Wagner, v p -EDP Systems development; Robert L McDowell, v p -strategic planning; Ruth A Streit, v p -compensation and benefits

Directors: Richard R Shinn*, Allan J Bloostein, David C Farrell*, John W Hanley*, Joan Ganz Cooney, Henry A Lay, J.S Webb, Edward H Meyer, Thomas A Hays, Russell E Palmer, William P Stiritz*, Murray L Weidenbaum*, Andrall E Pearson, Jerome T Loeb, Richard L Battram

* Member of the Executive Committee

Business Activities: Operates three lines of retail outlets: 145 department stores in 15 states; 57 Venture discount stores in large Midwestern cities; and 1,662 Volume Shoe stores in 38 states. May Centers, Inc., a wholly-owned subsidiary, operates 25 shopping centers in 9 states. Also operates Eagle Stamp Company, a trading stamp company

Divisions:

The M. O'Neil Company
Akron, Ohio

The Hecht Co
Baltimore, Maryland, Washington D C

The May Co
Cleveland, Ohio

May D & F
Denver Colorado

G.Fox & Co
Hartford, Connecticut

May-Cohens
Jacksonville, Florida

Kaufmann's
Pittsburgh, Pennsylvania

Meier & Frank Company
Portland, Oregon

Famous-Barr Co
St Louis, Missouri

May Co -California
Los Angeles, California
San Diego, California

Strouss
Youngstown, Ohio

Venture Stores
May Merchandising Corporation, New York
May Centers, Inc
May Department Stores International, Inc
The May Design and Construction Company
Eagle Stamp Company
Volume Shoe Corporation

Transfer Agent(s):

Centerre Trust Company of St Louis
510 Locust Street
St Louis, Mo 63101

Stock Exchange(s): New York, Pacific

Ticker Symbol: MA

Number of Stores: (at fiscal year end)

1985	1,864	1982	1,272
1984	1,584	1981	1,156
1983	1,468		

Sales and Earnings

	Revenues ‡ (000's)	Net Income (000's)
1984	$ 4,762,400	$ 214,100
1983	4,190,900	187,000
1982	3,634,100	141,700
1981	3,377,200	126,200
1980	3,137,700	116,900

	No. of Com. Shares #	Earn per Share #
1984	43,140,000	$ 4.96
1983	43,266,000	4.32
1982	43,518,000	3.25
1981	43,824,000	2.87
1980	43,622,000	2.67

‡ Of continuing operations only
# Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1984	1983
Department stores	$ 3,266,700	$ 2,970,300
Venture discount stores	926,200	777,800
Volume Shoe	551,100	425,200
Real Estate	18,400	17,600
Total	$ 4,762,400	$ 4,190,900

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$1.56	—	3-for-2
1983	1.30	—	—
1982	1.19	—	—
1981	1.11	—	—
1980	1.00	—	—

+ Adjusted to reflect stock split

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1984	$ 1,289,200	$ 29.98
1983	1,158,500	26.78
1982	1,033,100	23.88
1981	953,900	21.95
1980	881,500	20.16

Income account*
(000's)

Year ended	2/2/85	1/28/84
Net sales and rental revenues	$ 4,762,400	$ 4,190,900
Cost of sales	3,366,500	2,956,800
Expenses	959,700	848,500
Interest expense	41,500	41,700
Gain on sale of invest	—	(11,600)
Contribution to The May Stores Foundation Inc	—	15,000
Income before taxes	$ 394,700	$ 340,500
Income taxes	180,600	153,500
Net Income	$ 214,100	$ 187,000

* Included in Costs and Expenses, Depreciation and Amortization: $108,900,000 in 1984 and $99,100,000 in 1983

Assets
(000's)

As of	2/2/85	1/28/84
Cash & market secur	$ 140,400	$ 216,900
Accts receiv , net	983,400	920,300
*Inventories	687,200	567,300
Prepaid expenses	21,400	24,800
Current Assets	$ 1,832,400	$ 1,729,300
#Fixed assets	1,156,100	1,051,500
Other assets	58,200	64,100
Total Assets	$ 3,046,700	$ 2,844,900

Liabilities
(000's)

Notes payable & long-term debt, curr.	$ 26,000	$ 18,400
Accounts payable	431,200	400,600
Accruals	233,800	210,000
Income taxes	218,700	192,300
Curr. Liabilities	$ 909,700	$ 821,300
Long-term debt & cap lease oblig	532,900	562,800
Def inc taxes	139,100	132,700
Def invest tax credit	39,500	37,400
Other long-term liabilities	59,500	52,400
Unrealized apprec	76,800	79,800
+ Common stock	71,700	48,100
Add paid-in capital	800	15,700
Retained earnings	1,216,700	1,094,700
Total Liabilities & Shareholders' Equity	$ 3,046,700	$ 2,844,900

* At lower of cost or market. Stated at LIFO cost for dept. stores and Venture and at FIFO for Volume Shoe.
# Less accumulated depreciation.
+ $1.66⅔ par value.

Statistical Summary

%Income before Taxes to Sales	8.29	8.12
%Net Income to Sales	4.50	4.46

%Net Income to Equity	16.61	16.14
Sales to Inventories	6.93	7.39
Working Capital	$ 922,700,000	$ 908,000,000
Current Ratio	2.01	2.11
Shareholders' Equity	$1,289,200,000	$1,158,500,000

Mayfair Super Markets, Inc.

681 Newark Avenue
Elizabeth, New Jersey 07208
(201) 352-6400

Officers: Stanley P. Kaufelt, chairman of the board, president & chief executive officer; Michael Shapiro, sr. v.p.-finance & administration, chief financial officer & treasurer; Donald Kaplan, v.p.-dairy & appetizing; Anthony Petrillo, v.p.-merchandising; Richard Cantolino, v.p.-engineering; Paul Cona, v.p.-loss prevention; Jacqueline Keller, v.p.-communications; Jim Bouley, v.p.-human resources; Robert Behrens, v.p.-produce; Florence Kaufelt, secretary

Directors: Stanley P. Kaufelt, chairman of the board; Robert Kaufelt, Jonathan Kaufelt, Michael Shapiro

Business Activities: Operates a chain of food stores in central and northern New Jersey, all operating under the name of Foodtown

Subsidiaries:

Jolen Bud Corporation
Easton & Houston Corp

Transfer Agent(s):

National State Bank
Elizabeth, New Jersey

Stock Exchange(s): Over the Counter

Ticker Symbol: MYFR (NASDAQ)

Number of Stores: (at fiscal year end)

1984	31	1981	34
1983	34	1980	34
1982	34		

Sales and Earnings

	Net Sales	Net Income
1984	$ 323,880,880	$ 1,214,980
1983*	341,179,875	3,134,000
1982	319,462,386	2,171,000
1981	292,034,735	752,000
1980	279,551,951	415,000

	No. of Com. Shares +	Earn. per Share ‡
1984	1,332,507	$ 0.93
1983*	1,417,476	2.21
1982	1,531,755	1.42
1981	N.A.	0.47
1980	N.A.	0.26

* 53 weeks
N.A.-Not Available
+ Based on the weighted average number of Class A and Class B common shares outstanding adjusted to reflect recaptalization
‡ Based on the weighted average number of Class A common shares outstanding adjusted to reflect recapitalzation

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984 Class A	$0.10	—	—

Common Stock Equity ‡

	Total Equity	Equity Per Share
1984	$ 9,635,539	$ 7.23
1983	8,761,420	6.18
1982	5,547,359	3.62
1981	3,729,131	—
1980	2,966,763	—

† Based on the weighted average number of Class A and Class B Common shares outstanding adjusted to reflect recapitalization

Income Account

Year ended	9/1/84	9/3/83
Net sales	$ 323,880,880	$ 341,179,875
Cost of sales	250,142,832	263,858,996
Expenses	65,660,470	66,304,587
Depreciation & amortization	4,550,028	4,299,415
Prov. for doubtful accts.	107,705	85,472
Eq. in oper. of joint venture	38,673	(301,209)
Interest income	(319,818)	(390,586)
Rental income	(203,342)	(207,112)
Other inocme	(225,642)	(179,645)
Interest expense	2,435,116	2,378,792
Income before taxes	$ 1,694,858	$ 5,331,165
Income taxes	479,878	2,197,104
Net Income	$ 1,214,980	$ 3,134,061

Assets

As of	9/1/84 (53 weeks)	9/3/83
Cash	$ 189,079	$ 364,398
Short-term invest.	1,539,531	2,950,801
Accts. & notes receiv., net	938,269	920,127
Other receiv.	2,573,420	2,391,266
Financing leases	65,936	77,752
*Inventories	9,176,876	9,682,503
Prepaid expenses	1,413,850	1,534,730
Refund inc. taxes	214,453	—
Current Assets	$ 16,111,414	$ 17,921,577
Investments	2,504,554	2,417,218
#Fixed assets	29,812,634	25,307,428
Other assets	3,038,193	3,530,413
Total Assets	$ 51,466,795	$ 49,176,636

Liabilities

Long-term debt, curr.	$ 953,580	$ 953,580
Cap. lease oblig., curr.	1,042,392	1,002,763
Accts. payable	13,935,817	15,129,512
Income taxes payable	—	277,544
Accruals	2,679,120	2,914,823
Def. inc. taxes	653,037	588,062
Curr. Liabilities	$ 18,419,129	$ 20,866,284
Long-term debt	9,225,326	5,085,169
Cap. lease oblig.	14,094,763	14,334,312
Other non-curr. liabilities	92,038	129,451
+ Class A Common Stock	15,346	1,463,500
+ + Class B Common Stock	3,617	—
Add. paid-in capital	2,085,448	622,983
Retained earnings	8,994,662	7,828,035
Treasury stock	(1,463,534)	(1,153,098)
Total Liabilities & Shareholders' Equity	$ 51,466,795	$ 49,176,636

* At lower of cost (LIFO) or market
# Less accumulated depreciation and amortization
+ $0.01 per value, 1984; $1 par value, 1983
+ + $0.01 par value

Statistical Summary

%Income bef. Taxes to Sales	0.52	1.56
%Net Income to Sales	0.38	0.92
%Net Income to Equity	12.61	35.77
Sales to Inventories	35.29	35.24
Shareholders' Equity	$9,635,539	$8,761,420

J.W. Mays, Inc.

510 Fulton Street
Brooklyn, New York 11201
(212) 624-7400

Officers: Max L. Shulman, chairman of the board & chief executive officer; Lloyd J. Shulman, president & chief operating officer Richard D'Amura, sr. v.p.; Alex Slobodin, executive vice president and treasurer; Melvin M. Kazdin, v.p.; Ward Lyke, Jr., v.p.-management information services; Salvatore Cappuzzo, secretary; Paul Greenblatt, controller and assistant secretary

Directors: Richard D'Amura, Lloyd J. Shulman, Frank J. Angell*, John B. King*, Max L. Shulman*, Sylvia W. Shulman, Alex Slobodin, Melvin Kazdin

* Member of the Executive Committee

Business Activities: Operates department stores which sell ready-to-wear clothing for the entire family, hardgoods, domestics, jewelry and furniture

Transfer Agent(s):

Harris Trust Company of New York
110 William Street, room 604A
New York, New York 10038

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1984	4	1981	9
1983	4	1980	8
1982	4		

Sales and Earnings

	Net Sales	Net Income †
1984	$ 80,270,504	$ 1,631,466
1983	77,175,223	(531,734)
1982	121,520,933	(11,950,467)
1981	180,047,247	(1,704,099)
1980	166,909,984	396,000

	No. of Com. Shares	Earn. per Share ‡ †
1984	2,178,297	$ 0.75
1983	2,178,297	—
1982	2,178,297	—
1981	2,178,297	—
1980	2,178,297	0.18

(Loss)
† Including extraordinary gain of $390,000 ($0.18 per share) in 1984
‡ Based on the weighted average number of shares of common stock and common stock equivalents

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 16,562,073	$ 7.60
1983	14,930,607	6.85
1982	15,462,341	7.10
1981	27,412,808	12.58
1980	29,116,907	13.36

Income Account

Year ended July 31	1984	1983
Net sales	$ 80,270,504	$ 77,175,223
Other income	6,249,961	3,914,568
Total income	$ 86,520,465	$ 81,089,791
Cost of sales	59,646,593	58,221,971
Expenses	22,237,680	20,035,655
Depreciation & amortization	1,130,792	1,296,413
Oper. income	$ 3,505,400	$ 1,535,752
Interest expense	1,026,845	1,086,555
Other expenses	721,089	853,931
Income (loss) before taxes	$ 1,757,466	$ (404,734))
Income taxes	516,000	127,000

	1984	1983
Net income (Loss)	$ 1,241,466	$ (531,734)
Extraord. gain	390,000	—
Net Income (Loss) & extraord. gain	$ 1,631,466	$ (531,734)

Assets

As of July 31	1984	1983
Cash	$ 3,197,455	$ 5,302,059
Temp. cash invest.	2,899,894	3,476,731
Accts. receiv., net	789,864	663,778
Prepaid taxes	146,888	834,574
*Inventories	8,614,808	7,619,370
Prepaid expenses	1,112,599	1,264,555
Real estate taxes	426,667	439,604
Current Assets	$ 17,188,175	$ 19,600,671
#Fixed assets	20,683,325	23,873,730
Defer. charges	1,153,421	1,510,310
Total Assets	$ 39,024,921	$ 44,984,711

Liabilities

	1984	1983
Short-term bank loan	$ 2,000,000	$ —
Long-term debt, curr.	2,462,835	1,109,912
Cap. lease oblig. curr.	208,315	215,448
Accts. payable	2,825,481	2,295,014
Customers' deposits	63,507	50,000
Accrued payroll	1,656,200	2,841,934
Inc. taxes payable	11,749	91,592
Misc. taxes	518,832	655,134
Def. liab. pending chap. XI determ.	205,539	
Def. liab. purs. to chap. XI proc.		11,729,658
Curr. Liabilities	$ 9,952,458	$ 18,988,692
Long-term debt	11,803,941	10,150,648
Cap. lease oblig.	706,449	914,764
+ Common stock	2,178,297	2,178,297
Add. paid-in capital	3,346,245	3,346,245
Retained earnings	11,037,531	9,406,065
Total Liabilities & Shareholders' Equity	$ 39,024,921	$ 44,984,711

* At lower of cost (61% net invoice cost, remainder at retail inventory method) or market

# Less accumulated depreciation and amortization

+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	2.19	—
%Net Income to Sales	1.55	
%Net Income to Equity	7.50	
Sales to Inventories	9.32	10.13
Working Capital	$ 7,235,717	$611,979,000
Current Ratio	1.73	1.03
Shareholders' Equity	$16,562,073	$14,930,607

MCA INC.

100 Universal City Plaza
Universal City, California 91608
(213) 985-4321

445 Park Avenue
New York, New York 10022
(212) 759-7500

Officers: Lew R. Wasserman, chairman of the board & chief exec. officer; Sidney Jay Sheinberg, president & chief operating officer; Thomas Wertheimer, exec. v.p.; Irving Azoff, Robert B. Braswell, J. Eugene Brog, Albert A. Dorskind, James N. Fiedler, Louis N. Friedland, Eugene L. Froelich, Stanley Newman, Gareth Hughes, Frank Price, Jay S. Stein, Alvin Rush, v.p.'s; George Smith, v.p. & general tax counsel; Harold Haas, v.p., treasurer & chief financial officer; Richard E. Baker, controller; Peter J. Ratican, asst. controller; Michael Samuel, secretary; Elizabeth C. Hunt, asst. treasurer; Richard C. Schiller, asst. secretary.

Directors: Lew R. Wasserman*, chairman; Sidney Jay Sheinberg*; Howard P. Allen; Mary Gardiner Jones; Thomas V. Jones; Frank Price; Felix G. Rohatyn; Robert S. Strauss; Thomas Wertheimer*

* Member of the Executive Committee

Business Activities: Engaged in production and distribution of theatrical, nontheatrical, television and home video products; operation of a tour of the company's motion picture studio; merchandising and publishing of film properties; development of portions of the Company's Universal City real estate; manufacture and distribution of phonograph records and tapes; music publishing; retail and mail order gift merchandising; recreation services, and book publishing. Spencer Gifts a retail and mail order subsidiary headquartered in Atlantic City, New Jersey. Operates retail gift stores located throughout the United States and mail order gift businesses in the United States, West Germany and Austria. Spencer Gifts sells a wide variety of specialty merchandise purchased from both domestic and foreign manufacturers, including notions, novelties, housewares, stationery, home decorations, cosmetics, jewelry, plus a variety of other products for home, office personal use and gifts.

Divisions and Subsidiaries:

Universal City Studios, Inc.
MCA Corporate Films
MCA Records, Inc.
Miller International Schallplatten G.m.b.H.
MCA Music KK
Spencer Gifts, Inc.
Neho Versand G.m.v.H.
Crown Properties Inc.
Yosemite Park and Curry Co.
The Putnam Publishing Group, Inc.
Jove Publications, Inc.
Coward & McCann, Inc.
Cinema International Corporation N.V. (49% owned)
MCA New Ventures, Inc.
MCA Distributing Corporation
Berkley Publishing Corporation
Duchess Music Corporation
Leeds Music Corporation
MCA Music Limited
MCA Australia Pty. Ltd.
Charter Communications, Inc.
Glosset & Dunlap, Inc.
MCA Home Video, Inc.
MCA Concerts, Inc.
MCA Cable Services, Inc.
MCA Video Games, Inc.
MCA Artists (England) Limited
MCA Music Australia Pty. Limited
MCA Canada Ltd.
MCA Videodisc, Inc.
MCA (England) TV Limited
MCA Enterprises, Incorporated
MCA Filmes Do Brasil Ltda.
MCA International B.V.
MCA Japan, Ltd.
MCA (Paris) Ltd.
MCA Records (DISC), Inc.
MCA Recreation Enterprises, Inc.
MCA Television Limited
MCA TV (Television) G.m.b.H.
MCA Whitney Recording Studios Inc.
Merchandising Corporation of America, Inc.
Northern Music Company
Richard Marek Publishers, Inc.
Universal City Property Management Company
Universal City Studios (DISC), Inc.
Universal Film Exchanges, Inc.
Universal International Films, Inc.
Universal Music Corporation
Universal Pictures Corporation of Puerto Rico
Universal Pay Television, Inc.
Westward Productions
Universal City Consultants, Ltd.

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
1 New York Plaza
New York, New York 10081

Stock Exchange(s): New York, Pacific

Ticker Symbol: MCA

Number of Stores: (at fiscal year end)—Spencer Gifts

1983	442	1980	414
1982	435	1979	377
1981	420		

Sales and Earnings

	Revenues (000's)	Net Income † (000's)
1983	$ 1,584,539	$ 147,160
1982	1,586,022	176,198
1981	1,328,410	89,788
1980	1,296,772	106,767
1979	1,265,865	119,297

	No. of Com. Shares ‡	Earn. per Share ‡†
1983	48,102,511	$ 3.06
1982	47,730,034	3.69
1981	47,655,244	1.88
1980	47,224,952	2.26
1979	46,699,582	2.55

† Excluding extraordinary gains of $12,275,000 ($0.26 per share) in 1980 and $39,700,000 ($0.85 per share) in 1979.

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1983	1982
Filmed entertainment		
Theatrical	$ 413,624	$ 608,753
Television	321,506	277,092
Studio tour	69,130	60,795
Other	122,709	59,161
Records & music publishing	188,104	165,933
Retail & mail order	287,948	247,566
Other	181,518	166,722
Total	$ 1,584,539	$ 1,586,022

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1983	$0.88	—	—
1982	0.78	—	2-for-1
1981	0.75	—	—
1980	0.75	—	—
1979	0.68	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1983	$1,153,226,000	$ 23.86
1982	1,022,365,000	21.44
1981	928,792,000	19.52
1980	870,563,000	18.33
1979	770,221,000	16.41

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1983	1982
Revenues	$ 1,584,539	$ 1,586,022
Cost of sales & expenses	1,399,841	1,337,573
Corp., general & admin.	15,531	16,328
Interest income	(32,293)	(41,577)
Income bef. taxes	$ 201,460	$ 273,698
Income taxes	54,300	97,500
Net Income	$ 147,160	$ 176,198

* Included in Costs and Expenses, Depreciation and Amortization: $24,320,000 in 1983 and $20,925,000 in 1982.

MCA INC.

Assets
(000's)

As of Dec. 31		1983		1982
Cash	$	250,170	$	400,076
Receiv., net		342,744		319,664
Film cost		133,139		71,351
*Inventories		108,315		103,116
Prepaid expenses		46,977		36,762
Current Assets	$	881,345	$	930,969
#Fixed assets		320,107		230,205
Other assets		566,431		479,960
Total Assets	$	1,767,883	$	1,641,134

Liabilities
(000's)

Accts. payable & accruals	$	207,587	$	158,280
Accrued payroll		186,841		246,794
Income taxes		34,947		37,072
Deferred film revenues		27,696		23,064
Curr. Liabilities	$	457,071	$	465,210
Long-term debt		84,586		79,559
Deferred inc. taxes		73,000		74,000
+ Common stock		160,600		136,485
Retained earnings		997,526		892,744
Treasury stock		(4,900)		(6,864)
Total Liabilities & Shareholders' Equity	$	1,767,883	$	1,641,134

* At lower of cost (FIFO) or estimated realizable value
# Less accumulated depreciation
+ No par value

Statistical Summary

%Income bef. Taxes to Revenues	12.71	17.26
%Net Income to Revenues	9.29	11.11
%Net Income to Equity	12.76	17.23
Working Capital	$424,274,000	$465,759,000
Current Ratio	1.93	2.00
Shareholders' Equity	$1,153,226,000	$1,022,365,000

Medco Group Incorporated

(Formerly Medco Jewelry Corporation)

On May 16, 1983, Misdom-Frank Instrument Company merged into Medco Jewelry Corp., the transaction being considered a reverse acquisition with Misdom-Frank as the acquiring company. Concurrently, the new company was renamed Medco Group Incorporated.

860 Broadway
New York, New York 10003
(212) 533-4900

Officers: Robert L. Richards, president; Stephan M. Pinsly, Robert E. Regan, v.p.'s; Jeffrey Klein, Helmut Kapczynski, v.p.'s MFI; Oscar D. Folger, secretary

Directors: Robert L. Richards, Stephan M. Pinsly, Bernard Ames, Paul A. Downey, Gene E. Hollen

Business Activities: Operates Keepsake Diamond Galleries which are fine jewelry stores in regional shopping malls.

Transfer Agent(s):

Commerce Trust Company
Kansas City, Missouri

Chase Manhattan Bank
New York, New York

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1983	2	1980	8
1982	N.A.	1979	82
1981	8		

N.A.-Not Available
Note: Due to the restructuring of the Company, there is no financial data available for previous years.

Sales and Earnings

		Net Sales		Net Income ‡
1984	$	4,298,037	$	(63,349)

	No. of Com. Shares	Earn. per Share ‡†
1984	910,541	$

(Loss)
‡ Including extraordinary gains of $65,717 in 1984.
† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect reverse stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984			1-for-5

Common Stock Equity

		Total Equity	Equity Per Share ‡
1984	$	504,212	$ 0.55

‡ Adjusted to reflect reverse stock split.

Income Account *

Year ended		3/31/84
Net sales	$	4,298,037
Cost of sales		2,341,509
Expenses		1,856,615
Interest & other debt expenses		228,979
Net Loss	$	(129,066)
Extraord. gain		65,717
Net Income (Loss) & extraord. gain	$	(63,349)

* Included in Costs and Expenses, Depreciation: $68,293 in 1984.

Assets

As of		3/31/84
Cash	$	45,760
Accts. receiv., net		654,259
*Inventories		1,458,153
Prepaid expenses		43,814
Prop. held for sale		125,000
Current Assets	$	2,326,986
#Fixed assets		161,279
Goodwill		530,197
Deferred costs of public offering		195,692
Other assets		366,844
Total Assets	$	3,580,998

Liabilities

Long-term debt, curr.	$	660,075
Short-term bank borrowings		130,000
Accruals		437,334
Accts. payable		430,390
Other liabilities		26,587
Curr. Liabilities	$	1,684,386
Long term debt		1,392,400
+ Common stock		91,054
Add. paid-in capital		438,746
Deficit		(25,588)
Total Liabilities & Shareholders' Equity	$	3,580,998

* At lower of cost (FIFO) or market
# Less accumulated depreciation
+ $0.10 par value

Statistical Summary

Sales to Inventories	2.95
Working Capital	$642,600
Current Ratio	1.38
Shareholders' Equity	$504,212

Melville Corporation

3000 Westchester Avenue
Harrison, New York 10528
(914) 253-8000

Officers: Francis C. Rooney, Jr., chairman of the board & chief executive officer; Kenneth K. Berland, president; Robert C. Kuhn, Stanley P. Goldstein, Richard L. Anderson, executive v.p.'s; Edward S. Fitzgibbons, Howard Kaufman, Frank H. Brenton, Michael Friedheim, A.N. Stricker, Larry A. McVey, Ira H. Peterman, Harvey Rosenthal, vice presidents; William C. Kingsford, controller; Kevin R. Wood, treasurer; Arthur V. Richards, secretary & gen. attorney; Richard T. O'Connell, Jr., Raymond R. Moore, asst. secretaries; James E. Alward, Roger E. Haggerty, asst. treasurers

Directors: Francis C. Rooney, Jr.*, chairman; Richard L. Anderson, John G. Creedon, M. Cabell Woodward, Jr., Robert McDonald, Frank Melville*, Kenneth K. Berland*, Robert C. Kuhn, Hyman L. Battle Jr.*, Donald F. McCullough*, James W. McKee, Jr., Stanley P. Goldstein

* Member of the Executive Committee

Business Activities: Operates shoe stores under the names of Thom McAn; leased self-service shoe departments (Meldisco) with units located primarily in K-Mart stores; Marshalls, a retail chain that sells brandname apparel for men, women and children; Foxmoor Casuals, specialty merchandisers for the 14-22 year old, middle income women's apparel market; J. Putnam, which offers better grade branded sportswear for women over 25, and Chess King, a men's apparel specialty merchandising chain concentrating on the 14-to-22 year old market. Operates health and beauty aid specialty stores in New England, Middle Atlantic states and Michigan under the name Consumer Value Stores (CVS). Operates Kay Bee Toy and Hobby shops. Also operates a chain of discount drug stores under the name "Freddy's".

Divisions and Subsidiaries:

Thom McAn Shoe Company
67 Millbrook Street
Worcester, Massachusetts 01606

Melville Realty Company, Inc.
3000 Westchester Avenue
Harrison, New York 10528

Meldisco
Continental Plaza
401 Hackensack Avenue
Hackensack, New Jersey 07601

Foxmoor
393 Manley Street
West Bridgewater, Massachusetts 02379

Kay-Bee Toy & Hobby Shops, Inc.
Route 102
Lee, Massachusetts 01238

Open Country
67 Millbrook Street
Worcester, Massachusetts 01606

Consumer Value Stores
One CVS Drive
Woonsocket, Rhode Island 02895

Marshalls, Inc.
83 Commerce Way
Woburn, Massachusetts 01888

Chess King
44 Hammond Street
Worcester, Massachusetts 01610

Melville (Europe) Purchasing Ltd.
69 V. le F. lli Roselli
Florence, 50144, Italy

Wilsons House of Suede
11840 Olympic Boulevard
Los Angeles, California 90064

Linens 'n Things, Inc
7 Becker Farm Road
Roseland, New Jersey 07068

FNS Sales, Inc
90 Commerce Drive
Rochester, New York 14623

Transfer Agent(s):

Manufacturers Hanover Trust Company
Stock Transfer Department
450 West 33rd Street
New York, New York 10001

Stock Exchange(s): New York

Ticker Symbol: MES

Number of Stores: (at fiscal year end)

	Leased shoe-dept's	Apparel
1984	2,055	1,575
1983	2,042	1,482
1982	2,002	1,336
1981	1,939	1,170
1980	1,775	1,047

	Shoe stores	Health & beauty
1984	1,193	555
1983	1,254	513
1982	1,317	466
1981	1,342	433
1980	1,317	408

	Toy & hobby
1984	533
1983	456
1982	361
1981	270

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 4,423,472	$ 190,386
1983	3,923,220	176,260
1982	3,261,649	142,124
1981	2,760,842	136,133
1980	2,332,244	113,825

	No. of Com. Shares	Earn. per Share ‡
1984	52,857,882	$ 3.60
1983	52,455,556	3.36
1982	52,099,964	2.73
1981	51,820,804	2.63
1980	51,220,892	2.25

‡ Based on the average number of shares outstanding adjusted to reflect stock split

Revenues By Line of Business

	1984 (000's)	%	1983 (000's)	%
Footwear	$1,423,271	32.2%	$1,338,832	34.1%
Health & beauty aids	899,910	20.3%	734,051	18.7
Apparel	1,753,338	39.7%	1,569,287	40.0
Toys	346,953	7.8	281,050	7.2
Total	$4,423,472	100.0%	$3,923,220	100.0%

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$1.32	—	—
1983	1.09	—	2-for-1
1982	1.05	—	—
1981	0.99	—	—
1980	0.97	—	—

‡ Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 954,778,185	$ 18.06
1983	828,040,880	15.79
1982	701,425,016	13.46
1981	607,945,068	11.73
1980	509,696,072	9.95

‡ Adjusted to reflect stock split

Income Account

Year ended Dec. 31	1984	1983
Net sales	$4,423,472,374	$3,923,219,862
Cost of sales	2,680,490,385	2,342,925,560
Expenses	1,285,622,045	1,159,357,144
Depreciation & amortization	59,408,619	52,507,267
Interest expense	15,130,404	17,765,746
Other expense	3,369,313	3,117,168
Income before taxes	$ 379,451,608	$ 347,546,977
Income taxes	144,244,000	131,045,000
Minority interest	44,821,125	40,242,211
Net income	$ 190,386,483	$ 176,259,766

Assets

As of Dec. 31	1984	1983
Cash	$ 187,820,011	$ 182,776,861
Accts. receiv., net	55,288,271	52,755,331
*Inventories	748,891,978	673,929,076
Prepaid expenses	25,080,218	24,341,639
Current Assets	$1,017,080,478	$ 933,802,907
Prop. leased under cap. leases	42,412,051	46,195,506
#Fixed assets	416,060,239	375,684,096
Defer. charges & other assets	13,036,908	12,890,160
Intangibles	122,069,254	123,980,521
Total Assets	$1,610,658,930	$1,492,553,190

Liabilities

Long-term debt, curr	$ 2,951,285	$ 22,140,754
Cap. lease oblig., curr	2,410,716	2,220,794
Accts. payable & accruals	369,725,148	353,906,694
Income taxes	51,631,675	63,022,390
Curr. Liabilities	$ 426,718,824	$ 441,290,632
Long-term debt	64,537,181	68,220,719
Cap. lease oblig	52,291,006	54,701,679
Lease oblig	234,298	358,562
Minority interest	80,158,440	76,250,374
Deferred inc. taxes	29,187,996	20,529,244
+ Redeem. pref. stock	2,753,000	3,161,100
+ + Common stock	52,857,882	52,455,556
Add. paid-in capital	28,171,942	24,075,493
Retained earnings	873,748,361	751,509,831
Total Liabilities & Shareholders' Equity	$1,610,658,930	$1,492,553,190

* At lower of cost or market
# Less accumulated depreciation and amortization
+ $100 par value, Series B
+ + $1 par value

Statistical Summary

%Income bef. Taxes to Sales	8.58	8.86
%Net Income to Sales	4.30	4.49
%Net Income to Equity	19.94	21.29
Sales to Inventories	5.91	5.82
Working Capital	$590,361,654	$492,512,275
Current Ratio	2.38	2.12
Shareholders' Equity	$954,778,185	$828,040,880

Mercantile Stores Company, Inc.

1100 North Market Street
Wilmington, Delaware 19801
(302) 655-4011

Officers: Leon F. Winbigler, chairman of the board; James C. Lovell, pres.; Harold W. Jockers, chairman of the exec. committee; F.G. Kingsley, chairman of the finance committee; William A. Heineman, v.p. & treasurer; Roger Ciskie; Edward J. Sharkey, v.p.-s.; William A. Carr, controller; Dennis F. Murphy, secretary

Directors: John A. Herdeg; Harold W. Jockers*; F.G. Kingsley*; James C. Lovell*; Gerrish H. Milliken; Minot K. Milliken*; Roger Milliken*; George S. Moore; Edward J. Sharkey; Leon F. Winbigler*; Rene C. McPherson

* Member of the Executive Committee

Business Activities: Operates 15 chains of general merchandise department stores, as well as 24 free-standing beauty salons.

Divisions:

Bacons
Louisville, Kentucky

Castner Knott Co.
Nashville, Tennessee

de Lendrecie's
Fargo, North Dakota

Gaylers
Mobile, Alabama

Glass Block
Duluth, Minnesota

Hennessy's
Billings, Montana

The Jones Store Co.
Kansas City, Missouri

Joslins
Denver, Colorado

Lion
Toledo, Ohio

McAlpin's
Cincinnati, Ohio

Gaylers-Montgomery Fair
Montgomery, Alabama

The Right House
St. Catharines, Ontario, Canada

Root's
Terre Haute, Indiana

J.B. White
Augusta, Georgia
Columbia, South Carolina

Transfer Agent(s):

Harris Trust Company of New York
110 William Street
New York, New York 10038

Stock Exchange(s): New York

Ticker Symbol: MST

Number of Stores: (at fiscal year end)

1985	78	1982	84
1984	77	1981	83
1983	84		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1985	$ 1,706,904	$ 84,769
1984	1,625,958	83,222
1983	1,428,385	69,941
1982	1,269,491	57,895
1981	1,108,076	42,294

	No. of Com. Shares †	Earn. per Share
1985	14,754,990	$ 5.75
1984	14,738,294	5.65
1983	14,739,090	4.75
1982	14,739,090	3.93
1981	14,739,090	2.87

† Adjusted to reflect stock split
Based on the weighted average number of shares outstanding adjusted to reflect stock split

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1985	$1.15	—	—
1984	1.00	—	2½-for-1
1983	0.60	—	—
1982	0.77½		—
1981	0.57½		—

† Adjusted to reflect stock split

Common Stock Equity

		Total Equity (000's)	Equity Per Share †
1985	$	594,377	$ 40.33
1984		526,558	35.73
1983		458,123	31.08
1982		397,026	26.94
1981		350,554	23.78

† Adjusted to reflect stock split

Income Account *
(000's)

Year ended Jan. 31		1985		1984
Net sales	$	1,706,904	$	1,625,958
Cost of sales		1,166,616		1,095,989
Expenses		364,319		358,032
Interest expense		14,332		12,414
Income before taxes	$	161,637	$	159,523
Income taxes		76,868		76,301
Net Income	$	84,769	$	83,222

* Included in Costs and Expenses, Depreciation: $38,651,000 in 1985 and $33,377,000 in 1984

Assets
(000's)

As of Jan. 31		1985		1984
Cash	$	68,655	$	67,530
Receiv., net		15,876		11,842
Due from Mersco Finance Corp.		366,298		305,054
*Inventories		248,810		262,583
Prepaid expenses		2,985		2,363
Current Assets	$	702,624	$	649,372
Investments		17,061		17,548
Equity & advance to Mersco Finance Corp.		15,240		12,361
#Fixed assets		261,583		249,145
Total Assets	$	996,508	$	928,426

Liabilities
(000's)

Long-term debt, curr.	$	6,770	$	6,069
Accts. payable		59,473		62,083
Accruals		95,758		96,435
Income taxes		56,102		46,790
Curr. Liabilities	$	218,103	$	211,377
Long-term debt		166,160		171,504
Deferred inc. taxes		17,868		18,987
+ Common stock		5,404		5,404
Add. paid-in capital		6,096		6,096
Retained earnings		582,877		515,058
Total Liabilities & Shareholders' Equity	$	996,508	$	928,426

* At LIFO which is lower than market
# Less accumulated depreciation
+ $0.91⅔ par value

Statistical Summary

% Income bef. Taxes to Sales	9.47	9.81
% Net Income to Sales	4.97	5.12
% Net Income to Equity	14.26	15.80
Sales to Inventories	6.86	6.19
Working Capital	$484,521,000	$437,995,000
Current Ratio	3.22	3.07
Shareholders' Equity	$594,377,000	$526,558,000

Merry-Go-Round Enterprises, Inc.

1220 East Joppa Road
Towson, Maryland 21204
(301) 828-1000

Officers: Michael D. Sullivan, president and chief executive officer; Isaac Kaufman, senior vice president, chief financial officer, secretary and treasurer; Robert L. Heyman, vice president-warehousing; George E. Kucin, vice president-merchandising; Paul D. Levine, vice president-store operations; Stuart M. Lucas, vice president-merchandising; Frank C. Peters, vice president and controller; Marvin S. Rice, vice president-store design and construction; Ken Rodriguez, vice president-merchandising; Wayne J. Schuchart, vice president-management information systems; Barrie R. Wood, vice president-real estate; Michael W. Duplantis, Gary W. Gillan, Robert B. Simon, Joseph A. Solek, Joseph R. VanderPluym, regional v.p.'s; Josephine Billings, Myrna Villanueva, asst. controllers.

Directors: Leonard Weinglass, Harold Goldsmith, chairman; Michael D. Sullivan, John F. Ireton, Thomas J. Byrne, Jr.

Business Activities: The company is a major national specialty retailer of contemporary fashions for young men and women. The company's contemporary fashions appeal to a broad consumer base that ranges in age from 7 to 40 years.

Subsidiaries:

DJ's Fashion Center for Men

Cignal and Ship 'n Shore Showcase Shop

Merry-Go-Round Jr.

Transfer Agent(s):

Maryland National Bank
Baltimore, Maryland

Stock Exchange(s): Over-the-counter

Ticker Symbol: MGRE (NASDAQ)

Number of Stores: (at fiscal year end)

1985	272

Sales and Earnings

		Net Sales		Net Income
1985	$	158,088,000	$	9,825,000
1984		111,784,000		7,269,000
1983		75,507,000		3,502,000
1982		65,753,000		2,426,000
1981		59,655,000		2,018,000

	No. of Com. Shares ‡	Earn. per Share ‡ *
1985	6,330,000	$ 1.55
1984	6,108,000	1.19
1983	6,000,000	0.58
1982	6,000,000	0.40
1981	6,000,000	0.34

‡ Based on the weighted average number of common shares outstanding.
* Pro forma.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	—	—	3-for-2

Common Stock Equity

		Total Equity	Equity Per Share
1985	$	27,642,000	$ 4.34
1984		17,597,000	2.76
1983		18,866,000	3.14
1982		12,416,000	2.07
1981		10,290,000	1.72

Income Account *
(000's)

Year ended		2/2/85		1/28/84
Net sales	$	158,088	$	111,784
Cost of sales		100,914		69,385
Expenses		38,873		29,042
Interest income		(409)		(476)
Income before taxes	$	18,710	$	13,833
Income taxes		8,885		4,038
Net Income	$	9,825	$	9,795

* Included in Costs and Expenses, Depreciation and Amortization: $2,903,000 in 1985 and $2,209,000 in 1984

Assets
(000's)

As of		2/2/85		1/28/84
Cash	$	765	$	722
Marketable securities		8,481		9,669
Accts. receiv., net		620		514
*Inventories		14,293		6,874
Prepaid expenses		2,731		1,827
Current Assets	$	26,890	$	19,606
#Fixed assets		19,707		11,439
Leasehold interest in prop. & equip.		2,706		2,998
Other assets		188		281
Total Assets	$	49,491	$	34,324

Liabilities
(000's)

Long-term debt & cap. lease oblig., curr.	$	522	$	214
Accts. payable		9,194		6,674
Accruals		5,438		4,234
Dividends payable		—		752
Income taxes		1,225		874
Curr. Liabilities	$	16,379	$	12,748
Long-term debt		1,714		—
Cap. lease oblig.		3,251		3,487
Other liabilities		505		492
+ Common stock		63		60
+ Class B common stock		—		2
Add. paid-in capital		964		964
Retained earnings		27,322		17,499
Subscrip. receiv.		(707)		(928)
Total Liabilities & Shareholders' Equity	$	49,491	$	34,324

* At lower of cost (FIFO) or market
# Less accumulated depreciation and amortization
+ $0.01 par value

Statistical Summary

% Income bef. Taxes to Sales	11.84	12.37
% Net Income to Sales	6.21	8.76
% Net Income to Equity	35.54	55.66
Sales to Inventories	11.06	16.26
Working Capital	$10,511,000	$ 6,858,000
Current Ratio	1.64	1.54
Shareholders' Equity	$27,642,000	$17,597,000

MFY Industries, Inc.

303 South Greenwich Road
Wichita, Kansas 67207
(316) 685-8211

Mailing Address

P.O. Box 18008
Wichita, Kansas 67218

Officers: Daniel J. Taylor, president & chairman of the board; Michael W. Dart, exec. v.p.; Gary L. Simmons, v.p.-finance & treasurer; Michael E. Cain, v.p.-industrial relations; John W. Hermsen, v.p.-discount operations; Karon Perrill, secretary.

Directors: E. Lowell Yost, Richard Render, Daniel J. Taylor, Michael W. Dart, Daniel M. Carney, Robert W. Moore, Eugene Friedman.

Business Activities: Operates department stores under the name of David's in Kansas and Oklahoma, and 59 pizza restaurants under the name of Pizza Hut in Florida.

Divisions and Subsidiaries:

David's Department Stores
Wichita, Kansas 67207

Central Development, Inc. (CDI)
Wichita, Kansas 67207

CF&Y Distributing, Inc.

Transfer Agent(s):

Fourth National Bank & Trust Company
Wichita, Kansas

Stock Exchange(s): Over the Counter

Ticker Symbol: MFYI (NASDAQ)

Number of Stores: (at fiscal year end)

1983	5	1980	8
1982	8	1979	7
1981	7		

Sales and Earnings

	Net Sales	Net Income
1/31/83	$ 85,402,000	$ (637,000)
1/31/82	96,527,000	(94,000)
1/31/81	90,062,000	1,010,000
1/31/80	83,149,000	1,502,000
1/31/79*	35,006,000	753,000

	No. of Com Shares	Earn. per Share #
1/31/83	1,757,027	$ —
1/31/82	1,757,027	—
1/31/81	1,757,027	0.64
1/31/80	1,757,027	0.92
1/31/79*	1,757,027	0.43

(Loss)
* 5 months
# Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1/31/83	$ —	—	—
1/31/82	0.20	—	—
1/31/81	0.25	—	—
1/31/80	0.20	—	—
1/31/79	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1/31/83	$ 4,883,000	$ 2.78
1/31/82	9,977,000	5.68
1/31/81	10,756,000	6.12
1/31/80	10,293,000	5.86
1/31/79	9,774,000	5.56

Income Account *

Year ended Jan. 31	1983	1982
Net sales	$ 85,402,000	$ 96,527,000
Cost of sales	55,576,000	66,423,000
Expenses	27,180,000	29,207,000
Interest expense	1,514,000	1,984,000
Prov. for loss on store clos.	1,877,000	—
Loss on note guarantee	566,000	—
Gain on sale of assets	(221,000)	(561,000)
Eq. in loss of owned cos.	—	232,000
Loss before taxes	$ (1,090,000)	$ (758,000)
Tax credit	(453,000)	(664,000)
Net Loss	$ (637,000)	$ (94,000)

* Included in Costs and Expenses, Depreciation and Amortization: $1,364,000 in 1983 and $1,600,000 in 1982.

Assets

As of Jan. 31	1983	1982
Cash	$ 652,000	$ 1,089,000
Notes receiv.	—	8,000
Accts. receiv., net	238,000	628,000
Refundable income taxes	285,000	947,000
*Inventories	6,842,000	14,088,000
Temporary investments	31,000	144,000
Prepaid expenses	296,000	339,000
Current Assets	$ 8,344,000	$ 17,243,000
Investments & other assets	965,000	940,000
#Fixed assets	10,064,000	9,999,000
Total Assets	$ 19,373,000	$ 28,182,000

Liabilities

Notes payable	$ —	$ 2,000,000
Long-term debt, curr.	771,000	128,000
Cash overdrafts	760,000	302,000
Accts. payable	2,534,000	4,108,000
Oblig. under cap. lease, curr.	197,000	231,000
Other liabilities	1,264,000	1,730,000
Curr. Liabilities	$ 5,526,000	$ 8,499,000
Long-term debt	4,252,000	5,191,000
Oblig. under cap. lease	4,318,000	4,515,000
Future lease loss	394,000	—
+ Common stock	439,000	439,000
Add. paid-in capital	1,106,000	1,106,000
Retained earnings	9,326,000	9,963,000
Treasury stock	(5,988,000)	(1,531,000)
Total Liabilities & Shareholders' Equity	$ 19,373,000	$ 28,182,000

* At LIFO cost
# Less accumulated depreciation
+ $0.25 par value

Statistical Summary

Sales to Inventories	12.48	6.85
Working Capital	$2,818,000	$8,744,000
Current Ratio	1.51	2.03
Shareholders' Equity	$4,883,000	$9,977,000

Michigan General Corporation

1555 Valwood Parkway
Suite 150
Carrollton, Texas 75011-5026
(214) 247-3800

Officers: Charles E. Kuhn, chairman of the board & chief exec. officer; John R. Boudreau, president & chief oper. officer; Paul L. Barrett, v.p., secretary & general counsel; Al Von Stein, v.p., chief financial officer & treasurer; W.A. Fager, controller.

Directors: John R. Boudreau*, Richard C. Memhard*, Jack Ackerman*, Joseph P. Driscoll, Lee Hazen, Charles E. Kuhn*, Rocco A. Barbieri, Marshall S. Cogan, Bernard E. Knight, Jerry Rex, Stephen C. Swid.

* Member of the Executive Committee.

Business Activities: Operates a Texas chain of furniture and furniture appliance stores, 69 junior department stores in Georgia, South Carolina and Florida. Other activities include the manufacture of residential construction products, architectural concrete products and materials, motor homes and oilfield chemicals. Also provides specialty contracting and building services, high technology manpower services, highway safety construction and is engaged in publishing paperback books.

Divisions & Subsidiaries:
Retail and Related

Savannah Wholesale Company
102 Fahm Street
Savannah, Georgia 31402
Operates 104 junior department stores under the name Allied Department Stores, in Georgia, South Carolina, and Florida.

A's Bargain Stores
Louisiana, Mississippi

LFD, Inc.
502 Salinas
Laredo, Texas 78040
Retail sales of low-to-medium-priced furniture, accessories, bedding, floor coverings, appliances and television sets at five locations in South Texas.

Transfer Agent(s):

RepublicBank Dallas, N.A.
P.O. Box 2964
Dallas, Texas 75222

Stock Exchange(s): American

Ticker Symbol: MGL

Number of Stores: (at fiscal year end)

1984	104	1981	71
1983	74	1980	71
1982	69		

Sales and Earnings

	Net Sales †	Net Income #
1984	$ 449,388,000	$ 6,312,000
1983	192,032,000	(328,000)
1982	87,211,000	(8,358,000)
1981	72,844,000	919,000
1980	67,541,000	(13,564,000)

	No. of Com Shares	Earn. per Share † #
1984	11,336,000	$ 0.54
1983	11,055,000	—
1982	4,021,000	—
1981	4,020,000	0.15
1980	3,976,000	—

(Loss)
† Of continuing operations only.
# Including extraordinary gains of $932,000 ($0.08 per share) in 1984, $2,725,000 ($0.68 per share) in 1982, $1,278,000 ($0.31 per share) in 1981 and extraordinary loss of $3,617,000 ($0.53 per share) in 1983.

Revenues By Line of Business
(000's)

	1984	1983
Retail:		
Homebuilding prods.	$ 329,973	$ 81,185
Clothing	47,240	37,834
Manufacturing:		
Homebuilding prods.	53,425	57,082
Services:		
High tech. manpower & eng.	18,750	15,931
Total	$ 449,388	$ 192,032

Michigan General Corporation

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 65,861,000‡	$ 5.81
1983	60,156,000‡	5.44
1982	3,482,000‡	0.87
1981	12,311,000‡	3.06
1980	11,239,000	2.83

‡ After allowing for preferred stock at redemption value

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 449,388	$ 192,032
Cost of sales	341,477	139,229
Expenses	86,376	40,560
Interest expense	16,483	7,255
Interest income	(1,412)	(605)
Other income	(1,141)	(1,354)
Income before taxes	$ 7,605	$ 6,947
Income taxes	2,843	2,941
Income - cont. oper.	$ 4,762	$ 4,006
Inc. (loss) -disc. oper.	618	(717)
Net Income (Loss)	$ 5,380	$ (3,289)
Extraord. items	932	(3,617)
Net Income (Loss) & extraord. items	$ 6,312	$ (328)

* Included in Costs and Expenses, Depreciation and Amortization $7,312,000 in 1984 and $2,771,000 in 1983

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 929	$ 4,834
Receiv., net	47,141	44,628
Recoverable inc. taxes	676	680
*Inventories	62,551	52,659
Prepaid expenses	577	509
Assets of discont. oper., curr.	—	22,381
Current Assets	$ 111,874	$ 125,691
#Fixed assets	81,349	77,384
Other assets	24,562	20,823
Total Assets	$ 217,785	$ 223,898

Liabilities
(000's)

	1984	1983
Long-term debt, curr.	$ 1,058	$ 1,187
Credit facilities	22,272	7,067
Short-term debt	140	13,048
Accts. payable	23,272	22,881
Accruals	11,509	12,113
Deferred inc. taxes	417	258
Liab. of discont. oper., curr.	—	11,909
Curr. Liabilities	$ 58,668	$ 68,463
Long-term debt	91,134	91,746
Deferred inc. taxes	844	—
Liab. of discont. oper.	—	1,402
Other liabilities	189	—
+ Redeem. pref. stock	—	253
+ + Preferred stock	1,089	1,878
+ + + Common stock	11,336	11,055
Add. paid-in capital	63,674	64,412
Retained earnings (deficit)	(9,149)	(15,311)
Total Liabilities & Shareholders' Equity	$ 217,785	$ 223,898

* At LIFO or at lower of cost (average) or net realizable value
# Less accumulated depreciation and amortization
+ $1 par value, cumulative convertible
+ + $1 par vlaue, $2.50 dividend, convertible
+ + + $1 par value

Statistical Summary

%Net Income to Equity	1.20	1.71
Sales to Inventories	7.18	3.65
Working Capital	$53,206,000	$57,228,000
Current Ratio	1.91	1.84
Shareholders' Equity	$66,950,000	$62,034,000

Morse Shoe, Inc.

555 Turnpike Street
Canton, Massachusetts 02021
(617) 828-9300

Officers: Manuel Rosenberg, president & chief executive officer; Barrett S. Wayne, executive v.p.; Thomas J. Galligan III, sr. v.p., chief financial officer & treasurer; Kenneth C. Cummins, v.p., secretary & general counsel; Daniel L. Goldberg, v.p. & director of merchandise planning; Herbert I. Rosenberg, v.p. & general merchandise manager-leased departments; Charles F. Messina, v.p.-personel & employee relations; Henry Ross, v.p. & general merchandise mgr.-Fayva Stores; Marvin G. Schwartz, v.p. & comptroller; Gerald H. Smith, v.p. & director of loss preventuon; Norman M. Weiser, v.p. & director of management information systems.

Directors: Alfred L. Morse, Manuel Rosenberg, Donald C. Carroll, Jerome Zimmerman, Jesse Hill, Jr., Robert Sakowitz, Ernest J. Sargeant, Peter V. Tishman, Thomas J. Galligan III, Barrett S. Wayne.

Business Activities: Operates chains of retail shoe stores (Fayva, Morse, Upstage, and Jack & Jill) and footwear departments in discount stores in the United States and Canada; manufactures footwear in the U.S. and Puerto Rico. Wholesale footwear in the United States, Canada and Europe.

Subsidiaries:

Lowell Shoe, Inc.
95 Bridge Street
Lowell, Massachusetts 01852
(617) 933-4201

Morse Shoe (Canada) Ltd.
St. Laurent, Quebec, Canada

Morse Shoe International
Canton, Massachusetts

Isabela Shoe Corp.
Isabela, Puerto Rico

White Cap Footwear, Inc.
Comerio, Puerto Rico

Transfer Agent(s):

The First National Bank of Boston
Shareholder Services Division
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): New York

Ticker Symbol: MRS

Number of Stores:* (at fiscal year end)

1984	1,307	1981	1,329
1983	1,196	1980	1,261
1982	1,359		

* Including leased departments.

Sales and Earnings

	Net Sales	Net Income
1984	$ 526,546,000	$ 9,092,000
1983	522,964,000	19,181,000
1982	447,965,000	(2,183,000)
1981	447,211,000	10,076,000
1980*	437,110,000	15,994,000

	No. of Com. Shares	Earn. per Share ‡
1984	5,434,266	$ 1.68
1983	5,394,174	3.57
1982	5,311,543	—
1981	5,217,463	1.91
1980*	5,213,392	3.05

(Loss)
* 53 weeks
‡ Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.80	—	—
1983	0.45	—	—
1982	0.50	—	—
1981	0.80	—	—
1980	0.74	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 130,554,000	$ 24.02
1983	125,665,000	23.30
1982	107,665,916‡	20.27
1981	110,689,215‡	21.22
1980	105,282,215‡	20.20

‡ After allowing for preferred stock at liquidation value of $40.35 per share.

Income Account
(000's)

Year ended	12/29/84	12/31/83
Net sales	$ 526,546	$ 522,964
Cost of sales	321,053	311,261
Expenses	180,744	168,755
Prov. for store clos.	1,933	1,550
Depreciation & amortization	5,587	5,298
Interest expense	4,154	3,803
Income before taxes	$ 13,075	$ 32,297
Income taxes	3,983	13,116
Net Income	$ 9,092	$ 19,181

Assets
(000's)

As of	12/29/84	12/31/83
Cash & time deposits	$ 19,313	$ 41,168
Accounts receivable, net	23,608	22,600
Prepaid income taxes	8,075	3,336
*Inventories	127,931	116,381
Prepaid expenses	1,033	1,374
Current Assets	$ 179,960	$ 184,859
Fixed assets	41,498	36,936
Other assets	1,611	1,161
Intangibles	332	386
Total Assets	$ 223,401	$ 223,342

Liabilities
(000's)

	12/29/84	12/31/83
Long-term debt, curr.	$ 4,724	$ 4,746
Accts. payable	16,562	17,604
Accruals	18,552	17,169
Dividends payable	1,087	808
Income taxes	3,883	5,440
Curr. Liabilities	$ 44,808	$ 45,767
Long-term debt	43,272	47,996
Other liabilities	4,767	3,914
+ Common stock	5,434	5,394
Add. paid-in capital	1,936	1,575
Eq. adjust. from for. curr. trans.	(976)	(706)
Retained earnings	124,160	119,402
Total Liabilities & Shareholders' Equity	$ 223,401	$ 223,342

* At lower of cost or market. U.S. inventories valued at LIFO; non-U.S. inventories valued at FIFO or the retail method.
# Less accumulated depreciation and amortization
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.48	6.18
%Net Income to Sales	1.73	3.67
%Net Income to Equity	6.96	15.26
Sales to Inventories	4.12	4.49
Working Capital	$135,152,000	$139,092,000
Current Ratio	4.02	4.04
Shareholders' Equity	$130,554,000	$125,665,000

Mott's Super Markets, Inc.

P.O. Box 1675
East Hartford, Connecticut 06144
(203) 289-3301

Officers: Joseph P. Mott, chairman of the board & chief exec. officer; Barry Baskind, president & chief operating officer; Lewis Ellish, vice chairman of the board; Stanley Baskind, exec. v.p.-treasurer; Peter Casasanta, sr. v.p.-perishables; Sylvia Gottlieb, exec. v.p.-sales & merchandising & secretary; Stephen Goldberg, exec. v.p.-operations; Richard L. Cohen, exec. v.p.-merchandising development; Richard Neff, exec. v.p.-strategic planning; Graham Waddill, v.p. & controller

Directors: Joseph P. Mott, Lewis Ellish, John B. Dempsey, Stanley Baskind, Marshall J. Mott, John B. Abrahms, Barry P. Baskind, Gloria Shaffer, Laurence J. Ackerman

Business Activities: Operates a chain of Shop-Rite Supermarkets. Three of the company's supermarkets also contain in-store prescription drug departments. In addition, two retail package store outlets are operated in Connecticut under the name "Shop-Rite Liquor Store."

Transfer Agent(s):

Connecticut Bank & Trust Company
Hartford, Connecticut

Stock Exchange(s): American

Ticker Symbol: MSM

Number of Stores: (at fiscal year end)

1984	26	1981	30
1983	24	1980	30
1982	26		

Sales and Earnings

	Net Sales	Net Income
1984	$ 297,816,315	$ 462,521
1983	295,356,637	1,540,061
1982	293,887,798	3,486,106
1981	289,342,761	4,743,791
1980*	264,794,424	3,817,651

	No. of Com. Shares	Earn. per Share †
1984	2,786,224	$ 0.17
1983	2,786,224	0.55
1982	2,229,343	1.25
1981	1,783,853	1.70
1980*	1,427,487	1.37

† Adjusted to reflect stock dividends
* 53 weeks

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	25%	—
1982	—	25%	—
1981	—	—	—
1980	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 30,841,260	$ 11.07
1983	30,935,984	11.10
1982	29,959,819	13.44
1981	26,924,963	15.09
1980	22,545,530	12.64

Income Account

Year ended	12/29/84	12/31/83
Net sales	$ 297,816,315	$ 295,356,637
Cost of sales	237,011,751	236,430,765
Expenses	59,109,018	55,922,975
Depreciation	2,276,702	1,993,745
Other income	(1,734,938)	(1,541,227)
Interest expense	545,848	116,813
Income before taxes	$ 607,934	$ 2,433,566
Income taxes	145,413	893,505
Net Income	$ 462,521	$ 1,540,061

Assets

As of	12/29/84	12/31/83
Cash	$ 16,407,810	$ 10,349,965
Notes receivable	63,762	
Accts. receiv., net	1,198,390	893,183
Refundable taxes	1,398,242	1,503,590
*Inventories	14,871,292	13,466,421
Prepaid expenses	632,243	1,041,591
Current Assets	$ 34,311,739	$ 27,254,750
Investments	5,101,203	4,897,257
#Fixed assets	17,468,090	15,914,983
Other assets	6,580,477	171,327
Total Assets	$ 63,461,509	$ 48,238,317

Liabilities

Long-term debt, curr.	$ 1,164,696	$ 572,865
Dividends payable	139,311	139,311
Notes payable	10,400,000	
Accts. payable	14,256,720	9,764,334
Accruals	1,606,259	1,551,360
Curr. Liabilities	$ 27,566,986	$ 12,027,870
Long-term debt	2,280,259	2,911,785
Deferred inc. taxes	1,243,777	1,137,245
Deferred comp.	600,000	591,565
Deferred pension cost	929,227	633,868
+ Common stock	2,786,224	2,786,224
Add. paid-in capital	20,349,978	20,349,978
Retained earnings	7,705,058	7,799,782
Total Liabilities & Shareholders' Equity	$ 63,461,509	$ 48,238,317

* At cost (FIFO) by the retail method
# Less accumulated depreciation
+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	0.20	0.82
%Net Income to Sales	0.16	0.52
%Net Income to Equity	1.50	4.98
Sales to Inventories	20.03	21.93
Working Capital	$ 6,744,753	$15,226,880
Current Ratio	1.24	2.27
Shareholders' Equity	$30,841,260	$30,935,984

Munford, Inc.

1860-74 Peachtree Road N.W.
Box 7701, Station C
Atlanta, Georgia 30309
(404) 352-6641

Officers: Dillard Munford, chairman of the board & chief exec. officer; Russell C. Fellows, president & chief operating officer; Joseph W. Hardin, v.p. & treasurer; Jay E. Rubel, v.p.-administration; James M. Carroll, exec. v.p.-finance & secretary; Hiram F. Griffies, president-World Bazaar Division; Don W. Barnes, president-Majik Market Division; H.E. Lambert, corp. counsel & asst. secretary

Directors: Dillard Munford*, chairman; Winton M. Blount*, S.B. Rymer, Jr.*, Don A. Yancey, Robert L. Redfearn, Herbert J. Dickson*, Russell C. Fellows*, Richard K. LeBlond II, Andrall E. Pearson

* Member of the Executive Committee

Business Activities: Company activities include the operation of company-owned and franchised convenience food stores under the name "Majik Market." Many of these food stores have gasoline stations operating in conjunction with them. Munford-Do-It-Yourself Stores are engaged in the retail sale of construction supplies. World Bazaar import stores feature gift and home furnishing items; also operates refrigerated warehouses and one ice plant.

Divisions and Subsidiaries:

Food Stores Division
Refrigerated Warehouse Division
World Bazaar Division
Building Materials Division

Transfer Agent(s):

The Citizens & Southern National
Atlanta, Georgia

Stock Exchange(s): New York

Ticker Symbol: MFD

Number of Stores: (at fiscal year end)

	Food	World Bazaar
1984	859	281
1983	916	223
1982	959	196
1981	987	179
1980	1,119	148

Sales and Earnings

	Net Sales †	Net Income
1984*	$ 423,513,000	$ 8,235,000
1983	395,795,000	7,510,000
1982	372,605,000	7,184,000
1981	338,920,000	5,704,000
1980	301,602,000	843,000

	No. of Com. Shares #	Earn. per Share #
1984*	4,159,617	$ 1.98
1983	4,096,893	1.83
1982	3,873,869	1.85
1981	3,756,500	1.52
1980	3,034,083	0.17

* 53 weeks
† Of continuing operations only; includes other revenues
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock split

Revenues By Line of Business
(000's)

	1984	1983
Convenience Food Stores	$ 356,012	$ 342,211
Import Stores	67,453	53,572
Corporate & Others	48	12
Total	$ 423,513	$ 395,795

Common Stock

	Cash Dividend #	Stock Dividend	Stock Split
1984	$0.52	12½%	—
1983	0.42	—	5-for-4
1982	1.05	—	—
1981	0.14	—	—

# Adjusted to reflect stock dividend and stock split

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 57,953,000	$ 13.93
1983	49,854,000	12.17
1982	38,207,508‡	9.86
1981	30,550,805‡	8.13
1980	25,675,245‡	8.46

‡ After allowing for preferred stock at redemption value of $10.40 per share

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock split

Income Account

Year ended	1/3/85	12/29/83
Net sales & other rev	$ 423,513,000	$ 395,795,000
Cost of sales	305,762,000	287,549,000
Expenses	98,997,000	90,758,000
Depreciation & amortization	6,630,000	6,418,000
Interest expense	3,701,000	3,431,000
Interest income	(634,000)	(915,000)
Gain on dispos. of plant & equip	(367,000)	(244,000)
Equity in earnings of United Refrigerated Services, Inc	(2,376,000)	(1,956,000)
Unusual items	—	(391,000)
Inc. bef. taxes	$ 11,800,000	$ 11,145,000
Income taxes	3,565,000	3,635,000
Net Income	$ 8,235,000	$ 7,510,000

Assets

As of	1/3/85	12/29/83
Cash	$ 2,735,000	$ 8,003,000
Accts. receiv., net	6,725,000	5,185,000
*Inventories	67,104,000	54,259,000
Prepaid expenses	5,500,000	3,125,000
Current Assets	$ 82,064,000	$ 70,572,000
#Fixed assets	26,752,000	22,823,000
Other assets	11,633,000	9,909,000
Cap. leases	15,247,000	18,158,000
Total Assets	$ 135,696,000	$ 121,462,000

Liabilities

Long-term debt, curr	$ 1,172,000	$ 915,000
Accts. payable	42,101,000	37,374,000
Dividends payable	551,000	437,000
Income taxes	1,269,000	610,000
Capital lease oblig., curr	3,602,000	4,109,000
Curr. Liabilities	$ 48,695,000	$ 43,445,000
Long-term debt	6,913,000	3,458,000
Capital lease oblig	16,178,000	19,263,000
Deferred inc. taxes	5,060,000	4,890,000
Other non-current liab	897,000	552,000
+ Common stock	4,087,000	3,499,000
Add. paid-in capital	22,464,000	13,715,000
Retained earnings	31,402,000	32,640,000
Total Liabilities & Shareholders' Equity	$ 135,696,000	$ 121,462,000

* At lower of cost (FIFO) or market

# Less accumulated depreciation

+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	2.79	2.82
%Net Income to Sales	1.94	1.90
%Net Income to Equity	14.21	15.06
Working Capital	$33,369,000	$27,127,000
Current Ratio	1.69	1.62
Shareholders' Equity	$57,953,000	$49,854,000

Nash Finch Company

3381 Gorham Avenue
St. Louis Park, Minnesota 55426
(612) 929-0371

Officers: Thomas A. Riley, chairman of the board; Harold B. Finch, Jr., president & chief executive officer; R. N. Mammel, exec. v.p.; Alan W. Clark, senior vice president; Arthur C. Wangaard, Jr., v.p. & secretary; J. O. Rodysill, v.p.; Robert F. Nash, treasurer; Burton M. West, Philip E. Bortscheller, assistant treasurers; J. F. Shekleton, controller; Walter G. Hreno, N. R. Soland, asst. secretaries

Directors: Thomas A. Riley*, chairman; Floyd C. Ashley*, Alan W. Clark*, Ann M. Crowley, Harold B. Finch, Jr.*, R. N. Mammel*, Donald R. Miller, Robert F. Nash*, J. O. Rodysill, J. F. Shekleton, Arthur C. Wangaard, Jr.*, Richard A. Fisher, Richard G. Lareau

* Member of the Executive Committee

Business Activities: Owns and operates 92 supermarkets, warehouse stores, membership food markets and Family Thrift Centers. Its 12 food distribution centers supply 376 affiliated supermarkets and over 1,200 independent retailers and institutions. The firm also owns a produce marketing subsidiary in California, which sells fresh fruits and vegetables to large wholesalers and chain retailers.

Divisions and Subsidiaries:

Piggly Wiggly
Corporate and affiliated supermarkets in North and South Dakota, Minnesota and Montana

Jack & Jill
Corporate and affiliated supermarkets in Minnesota, North and South Dakota, Iowa, Illinois, Nebraska, Kansas, Texas, Montana, Colorado, Oklahoma, Wyoming

Me Too
Sun Mart
Clifton's
Corporate supermarkets in Iowa

Family Thrift Center
General merchandise food stores in South Dakota and North Dakota

Warehouse Market, Food Bonanza, Prairie Market
Warehouse stores in Minnesota, South Dakota, North Dakota, Iowa, Nebraska, Kansas, Texas and Illinois

The Nash DeCamp Company
Produce marketing subsidiary in California and Arizona

The S.C. Shannon Company
Valley Cash & Carry, Inc
Food distribution center serving independent food retailers in Wisconsin

Econofoods
Warehouse stores in Iowa and Nebraska

Transfer Agent(s):

Nash Finch Company
3381 Gorham Avenue
St. Louis, Minnesota 55426

Stock Exchange(s): Over-the-Counter (NASDAQ)

Number of Stores: (at fiscal year end)

1984	92	1981	101
1983	99	1980	100
1982	101		

Sales and Earnings

	Net Sales +	Net Income
1984	$1,238,318,783	$ 11,686,234
1983	1,142,988,030	11,066,814
1982	1,120,156,755	11,559,199
1981	1,073,520,000	10,902,000
1980*	987,879,000	10,447,000

	No. of Com. Shares #	Earn. per Share # ‡
1984	5,089,000	$ 2.30
1983	5,077,000	2.18
1982	5,098,000	2.27
1981	5,156,000	2.11
1980*	5,217,000	2.00

* 53 weeks

+ Includes operating revenues and other income

Based on the average number of shares outstanding adjusted to reflect stock split

Revenues By Line of Business

	1984	1983	1982	1981
Wholesale	56.0%	55.0%	54.0%	54.2%
Retail	42.0	43.0	44.0	43.7
Product marketing	2.0	2.0	2.0	2.1
Total	100.0%	100.0%	100.0%	100.0%

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1984	$0.97	—	—
1983	0.93	—	3-for-2
1982	0.90	—	—
1981	0.87	—	—
1980	0.80	—	—

† Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 100,094,000	$ 19.68
1983	93,404,000	18.34
1982	86,670,000	17.12
1981	80,338,000	15.67
1980	74,509,000	14.36

Based on the average number of shares outstanding adjusted to reflect stock split

Income Account

Year ended	12/29/84	12/31/83
Net sales	$1,220,668,476	$1,125,028,966
Other income	17,650,307	17,959,064
Total Income	$1,238,318,783	$1,142,988,030
Cost of sales	1,070,225,738	986,402,145
Expenses	128,652,338	120,586,166
Depreciation & amortization	12,034,001	10,932,940
Prof. sh. plan	2,038,216	1,934,038
Interest expense	4,199,294	3,428,240
Income before taxes	$ 21,169,196	$ 19,704,501
Income taxes	9,482,962	8,637,687
Net Income	$ 11,686,234	$ 11,066,814

Assets

As of	12/29/84	12/31/83
Cash	$ 252,230	$ 253,060
Cert. of deposit	160,010	3,487,852
Accts. receiv., net	21,990,225	18,911,345
*Inventories	92,854,005	80,307,207
Prepaid expenses	2,515,253	2,521,754
Current Assets	$ 117,771,723	$ 105,481,218
Investments	11,093,655	8,189,561
#Fixed assets	88,810,666	74,151,266
Oblig. under cap. leases	4,330,871	6,131,816
Defer. charges	441,564	459,736
Intangibles	575,492	656,229
Total Assets	$ 223,023,971	$ 195,069,826

Liabilities

Outstanding checks	$ 10,337,951	$ 4,151,067
Long-term debt & cap. lease oblig	2,852,514	6,027,099
Accts. payable	47,940,057	42,285,882
Accruals	9,696,401	7,843,909
Income taxes	638,319	783,198

Curr. Liabilities	$ 71,465,242	$ 61,091,155
Long-term debt	35,832,847	25,286,885
Cap. lease oblig., curr.	6,806,500	8,926,642
Deferred compensation	6,511,390	5,618,782
Deferred income taxes	2,256,053	645,620
Lease loss provision	20,995	47,655
Deferred gains	36,700	49,128
+ Common stock	8,897,962	8,897,962
Add. paid-in capital	156,254	126,668
Retained earnings	93,561,475	86,798,889
Treasury stock	(2,521,447)	(2,419,560)
Total Liabilities & Shareholders' Equity	$ 223,023,971	$ 195,069,826

* At lower of cost (LIFO or FIFO) or market
# Less accumulated depreciation
+ $1.66⅔ par value

Statistical Summary

%Income bef. Taxes to Sales	1.73	1.75
%Net Income to Sales	0.96	0.98
%Net Income to Equity	11.68	11.85
Sales to Inventories	13.15	14.01
Working Capital	$46,305,881	$44,390,063
Current Ratio	1.65	1.73
Shareholders' Equity	$100,094,244	$93,403,959

National Convenience Stores Incorporated

100 Waugh Drive
Houston, Texas 77007
(713) 863-2200

Officers: V.H. Van Horn, president & chief exec. officer; T.W. Ewens, sr. v.p.-corp. development; A.J. Gallerano, v.p., general counsel & secretary; J.C. Brewster, v.p.-finance & chief financial officer; Patricia A. Raybon, v.p.-internal audit; J.R. Welch, sr. v.p.-stores; R.P. Springer, v.p.-West Texas Division; T.D. Parks, v.p.-real estate; N.E. Dickey, v.p.-Midwestern Division

Directors: William Key Wilde, Raymond W. Oeland, Jr., Dunbar N. Chambers, Jr., Richard C. Steadman, Robert B. Stobaugh, V.H. Van Horn

Business Activities: Operates a chain of self-service convenience food stores in 11 states. Most stores are company-owned and operated under the names Stop N Go and Shop N Go and sell staple foods, groceries, beverages, snack foods, and other food items; also operates gasoline service stations.

Divisions:

Western Division
1385 Knollwood Circle, Unit B
Anaheim, California 92801
(714) 527-8810

Gulf Coast Division
615 Westshire
Houston, Texas 77013
(713) 672-7411

Midwestern Division
2521 Brown Boulevard
Arlington, Texas 76011
(817) 640-1121

West Texas Division
9000 Tesoro Drive
San Antonio, Texas 78217

Transfer Agent(s):

Centerre Trust Company of St. Louis
St. Louis, Missouri

Stock Exchange(s): New York

Ticker Symbol: NCS

Number of Stores: (at fiscal year end)

1984	1,081	1981	832
1983	1,012	1980	817
1982	922		

Sales and Earnings

	Net Sales	Net Income
1984	$ 818,988,000	$ 18,450,000
1983	632,310,000	14,226,000
1982	617,438,000	12,185,000
1981	527,447,000	10,180,000
1980	434,430,000	8,050,000

	No. of Com. Shares #	Earn. per Share #
1984	15,800,000	$ 1.17
1983	15,250,000	0.93
1982	14,113,000	0.86
1981	13,395,000	0.76
1980	12,024,000	0.67

Based on the average number of common and common equivalent shares outstanding adjusted to reflect stock dividend and stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.40	—	3-for-2
1983	0.36	—	5-for-4
1982	0.32	20%	—
1981	0.27	—	—
1980	0.23	—	4-for-3

+ Adjusted to reflect stock dividend and stock splits.

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1984	$ 87,336,000	$ 5.59
1983	74,289,000	4.87
1982	60,361,000	4.05
1981	47,086,000	3.37
1980	31,436,000	2.62

Adjusted to reflect stock dividend and stock splits.
‡ After allowing for preferred stock at stated value.

Income Account *
(000's)

Year ended June 30	1984	1983
Net sales	$ 818,988	$ 632,310
Cost of sales	597,896	451,667
Oper. exp.	137,616	114,017
Expenses	39,626	33,772
Interest expense	14,835	9,903
Income before taxes	$ 29,015	$ 22,951
Income taxes	10,565	8,725
Net Income	$ 18,450	$ 14,226

* Included in Costs and Expenses, Depreciation and Amortization: $23,232,000 in 1984 and $18,218,000 in 1983.

Assets
(000's)

As of June 30	1984	1983
Cash	$ 5,433	$ 3,580
Accts. & notes receiv., net	3,264	1,843
Store properties	42,463	42,379
*Inventories	47,782	43,782
Prepaid expenses	2,560	2,112
Current Assets	$ 101,502	$ 93,696
#Fixed assets	223,188	156,797
Other assets & defer. charges	21,281	17,152
Total Assets	$ 345,971	$ 267,645

Liabilities
(000's)

Cap. lease oblig. & long term debt, curr.	$ 4,741	$ 4,145
Accts. payable & accrued expenses	55,649	50,927
Dividends payable	1,561	1,372
Curr. Liabilities	$ 61,951	$ 56,444
Long-term debt	100,185	93,597
Cap. lease oblig.	32,127	34,006
Deferred inc. taxes	14,370	9,307
9% Convertible debentures	50,000	—
Preferred stock	2	2
+ Common stock	6,689	4,388
Add. paid-in capital	49,507	50,597
Retained earnings	36,355	24,988
Treasury stock	(2,871)	(3,539)
Deferred comp.	(2,344)	(2,145)
Total Liabilities & Shareholders' Equity	$ 345,971	$ 267,645

* At lower of cost (FIFO) or market; gasoline inventories at average cost.
# Less accumulated depreciation and amortization
+ $0.41⅔ par value

Statistical Summary

%Income bef. Taxes to Sales	3.54	3.63
%Net Income to Sales	2.25	2.25
%Net Income to Equity	21.12	19.15
Sales to Inventories	17.14	14.44
Working Capital	$39,551,000	$37,252,000
Current Ratio	1.64	1.66
Shareholders' Equity	$87,338,000	$74,291,000

National Hardgoods Distributors, Inc.

365 Washington Street
Stoughton, Massachusetts 02072
(617) 341-1810

Officers: Sheldon M. Woolf, president; Arthur M. Kagan, v.p. & treasurer; Earl L. Woolf, v.p.-adm. corp. development; Jerry L. Goad, v.p. & general manager; Milton Bordwin, clerk

Directors: Sheldon M. Woolf, Martin E. Feldman, Melvin Weinstein, Howard Rubin, Arthur M. Kagan

Business Activities: Operates a chain of freestanding hardware stores in Massachusetts and Rhode Island, as well as 11 leased departments in self-service discount department stores. Hardgood merchandise includes automotive accessories, home furnishings, paint, housewares, and garden and patio goods.

Transfer Agent(s):

Continental Stock Transfer Corporation
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NHRD (NASDAQ)

Number of Stores: (at fiscal year end)

1985	19	1982	18
1984	18	1981	18
1983	16		

Sales and Earnings

	Net Sales	Net Income #
1985	$ 32,402,526	$ 742,723
1984	26,508,753	591,765
1983	27,292,426	641,798
1982	28,506,523	(1,090,443)
1981	32,858,127	(83,859)

	No. of Com. Shares ‡	Earn. per Share ‡#
1985	1,231,941	$ 0.60
1984	1,231,941	0.48

1983	1,231,941	0.52
1982	1,239,568	—
1981	1,245,225	—

(Loss)

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends

Including extraordinary gains of $152,370 ($0.12 per share) in 1984 and $255,586 ($0.21 per share) in 1982

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	—	50%	—
1984	—	25%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 6,226,917	$ 5.05
1984	5,484,467	4.45
1983	4,892,702	3.97
1982	4,250,904	3.45
1981	5,341,347	4.34

‡ Adjusted to reflect stock dividends.

Income Account

Year ended	1/26/85	1/28/84
Net sales	$ 32,402,526	$ 26,508,753
Cost of sales & store oper. exp	29,035,209	23,908,765
Expenses	1,353,174	1,225,640
Depreciation & amortization	453,650	365,827
Interest expense	216,804	176,357
Income before taxes	$ 1,343,689	$ 832,164
Income taxes	600,966	392,769
Net Income	$ 742,723	$ 439,395
Extraordinary gain	—	152,370
Net Income and extraordinary gain	$ 742,723	$ 591,765

Assets

As of	1/26/85	1/28/84
Cash	$ 326,861	$ 291,564
Marketable securities	67,324	50,412
Accts. receiv., net	288,736	156,302
*Inventories	8,233,900	6,563,782
Prepaid expenses	178,262	143,761
Curr. Assets	$ 9,095,083	$ 7,205,826
#Fixed assets	1,870,029	1,633,296
Other assets	264,089	143,894
Total Assets	$ 11,229,201	$ 8,983,016

Liabilities

Long-term debt, curr	$ 206,725	$ 206,677
Accts. payable	2,603,077	1,565,949
Accruals	361,101	326,460
Income taxes	271,402	179,107
Other taxes	134,329	117,452
Curr. Liabilities	$ 3,576,634	$ 2,395,645
Long-term debt	1,369,013	1,078,242
Deferred income taxes	56,637	24,662
+ Common stock	123,194	82,135
Add. paid-in capital	1,291,893	1,332,952
Retained earnings	4,811,830	4,069,380
Total Liabilities & Shareholders' Equity	$ 11,229,201	$ 8,983,016

* At lower of cost (FIFO) or market using the retail method

# Less accumulated depreciation

+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Sales	4.15	3.14
%Net Income to Sales	2.29	1.66
%Net Income to Equity	11.93	8.01
Sales to Inventories	3.94	4.04
Working Capital	$5,518,449	$4,810,181
Current Ratio	2.54	3.01
Shareholders' Equity	$6,226,917	$5,484,467

New Process Company

220 Hickory Street
Warren, Pennsylvania 16366
(814) 723-3600

Officers: John L. Blair, president, Alan J. Blair, exec. vice president, Robert W. Blair, vice president and secretary, Giles W. Schutte, vice president & treasurer, vice presidents: Steven M. Blair-order handling, Robert D. Crowley-men's merchandise, John H. Carter-merch. handling, Murray K. McComas-advertising, C. Wayne Kipple-home furnishings, Michael J. Samargya-data processing, Robert B. Dietsch, women's merch. & asst. secretary, Blair T. Smoulder-planning, asst. v.p.'s: Richard E. Zimmerman-personnel, George A. Stark-mailing, Carl H. Nelson-merchandise handling, Robert L. Benson-men's merchandise, John E. Zawacki-women's merchandise, Timothy J. Baker-planning, Kent R. Sivillo, asst. treasurer

Directors: John L. Blair, Alan J. Blair, Robert W. Blair, Robert B. Dietsch, Giles W. Schutte, Michael J. Samargya, John H. Carter, Murray K. McComas

Business Activities: Mail order house. Sells men's and women's apparel, plus a broad range of home furnishings, primarily by mail. Its facilities are located in the Warren, Pennsylvania area where all functions of advertising preparation, mailing, order handling and shipping are performed.

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: NOZ

Sales and Earnings

	Net Sales	Net Income
1984	$ 299,142,618	$ 18,699,697
1983	268,286,313	16,236,095
1982	235,417,782	8,880,747
1981	231,342,871	10,955,785
1980	230,436,435	5,755,459

	No. of Com. Shares	Earn. per Share
1984	9,483,578	$ 1.97
1983	9,486,978	1.71
1982	9,474,728	0.93
1981	9,511,828	1.15
1980	9,623,185	0.60

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.20	—	—
1983	1.03	—	—
1982	0.55	—	—
1981	0.73	—	—
1980	0.43	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 69,976,583	$ 7.38
1983	62,723,443	6.61
1982	56,017,304	5.91
1981	52,739,518	5.54
1980	49,532,523	5.15

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 299,142,618	$ 268,286,313
Other income	11,619,409	9,063,135
Total Income	$ 310,762,027	$ 277,349,448
Cost of sales	143,708,256	129,459,975
Expenses	117,336,285	104,396,519
Prov. for doubtful accts	11,781,789	10,208,859
Income before taxes	$ 37,935,697	$ 33,284,095
Income taxes	19,236,000	17,048,000
Net Income	$ 18,699,697	$ 16,236,095

* Included in Costs and Expenses, Depreciation $1,501,136 in 1984 and $1,375,361 in 1983.

Assets

As of Dec. 31	1984	1983
Cash & short-term invest	$ 11,591,194	$ 19,029,959
Accts. receiv., net	56,671,444	41,811,478
*Inventories	31,325,468	26,376,319
Prepaid expenses	239,264	244,906
Current Assets	$ 99,827,370	$ 87,462,662
#Fixed assets	11,275,187	11,053,787
Total Assets	$ 111,102,557	$ 98,516,449

Liabilities

Accts. payable	$ 15,083,055	$ 15,718,890
Accruals	2,398,376	2,178,655
Dividends payable	7,823,952	6,925,494
Income taxes	4,413,591	2,794,967
Deferred income taxes	11,407,000	8,175,000
Curr. Liabilities	$ 41,125,974	$ 35,793,006
+ Common stock	419,810	419,810
Add. paid-in capital	1,735,125	1,477,938
Retained earnings	73,233,822	65,914,844
Treasury stock	(5,412,174)	(5,089,149)
Total Liabilities & Shareholders' Equity	$ 111,102,557	$ 98,516,449

* At lower of cost (LIFO) or market

# Less accumulated depreciation

+ No par value

Statistical Summary

%Income bef. Taxes to Sales	12.68	12.41
%Net Income to Sales	6.25	6.05
%Net Income to Equity	26.72	25.89
Sales to Inventories	9.55	10.17
Working Capital	$58,701,396	$51,669,656
Current Ratio	2.43	2.44
Shareholders' Equity	$69,976,583	$62,723,443

S. E. Nichols Inc.

275 Seventh Avenue
New York, New York 10001
(212) 206-9400

Officers: Manfred Brecker, chairman, Kenneth A. Davis, president, Joseph Keller, exec. v.p.-operations, Erich Metzger, exec. v.p.-merchandising & secretary, Edward Dennenberg, sr. v.p.-merchandising, Herbert Kaltbaum, sr. v.p.-merchandising, Marcie Davis, v.p., Lee Lobelson, v.p.-administration, Frederick J. Schreiber, president-Schreiber division, H. Joseph Klein, v.p.-security and loss prevention, Joseph Keller, Jr., v.p.-store systems, Maarten D. Hemsley, sr. v.p.-finance, treasurer, and chief financial officer, Lester Levy, v.p.-data processing.

Directors: Manfred Brecker, chairman, Irving M. Rosenbaum, vice chairman, Joseph Keller, Erich Metzger, Kenneth Davis, Melvin Katz, Stanley Roth, Jr., Howard L. Blum, Jr.

Business Activities: Operates a chain of self service discount department stores under the name "Nichols" and "Nichols Discount City" in New York, Pennsylvania, New Jersey, Maryland, Virginia, South Carolina, Delaware, West Virginia, North Carolina and Ohio. Operates automotive service centers in 39 stores, licensed pharmacies in 21 stores, do-it-yourself home improvement centers in 32 stores, and outdoor garden and patio shops in all stores.

Division:

F. R. Schreiber Company
Lititz, Pennsylvania

Distributes hardware, health and beauty aids, housewares, and other related products.

Transfer Agent(s):

Mellon Bank, N.A.
Mellon Square
Pittsburgh, Pennsylvania 15230

Stock Exchange(s): American

Ticker Symbol: NCL

Number of Stores: (at fiscal year end)

1985	44	1982	43
1984	42	1981	43
1983	42		

Sales and Earnings

	Revenues	Net Income
1985	$ 294,110,338	$ 6,270,034
1984	277,303,147	6,803,713
1983	256,866,863	2,520,806
1982	242,842,749	(464,887)
1981	224,571,948	242,709

	No. of Com. Shares †	Earn. per Share †
1985	4,649,371	$ 1.35
1984	4,646,371	1.58
1983	3,848,871	0.65
1982	3,848,871	—
1981	3,838,871	0.06

† Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$ —		—
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	0.03	10%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 45,406,565	$ 9.77
1984	39,127,906	8.42
1983	25,123,264	6.53
1982	22,602,458	5.87
1981	23,051,345	6.00

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Income Account *

Year ended Jan. 31	1985	1984
Net sales	$ 268,021,376	$ 258,946,294
Other income	26,088,962	18,356,853
Total Income	$ 294,110,338	$ 277,303,147
Cost of sales	198,766,518	187,822,255
Expenses	80,100,733	73,448,883
Interest expense	3,504,053	3,518,258
Income before taxes	$ 11,739,034	$ 12,513,751
Income taxes	5,469,000	5,710,038
Net Income	$ 6,270,034	$ 6,803,713

* Included in Costs and Expenses, Depreciation: $2,584,248 in 1985 and $2,244,539 in 1984.

Assets

As of Jan. 31	1985	1984
Cash	$ 22,673,648	$ 19,691,282
Receiv., net	5,553,952	4,760,744
*Inventories	65,413,622	56,680,836
Prepaid expenses	4,995,857	5,919,751
Current Assets	$ 98,637,079	$ 87,052,613
#Fixed assets	21,322,270	15,829,818
Other assets	1,712,077	964,835
Total Assets	$ 121,671,426	$ 103,847,266

Liabilities

Long-term debt, curr.	$ 707,241	$ 1,230,547
Cap. lease oblig., curr.	857,977	991,197
Accts. payable	17,869,696	19,880,666
Accruals	8,853,760	8,421,015
Income taxes	989,976	977,886
Deferred tax liability	656,000	582,000
Curr. Liabilities	$ 29,934,650	$ 32,083,311
Long-term debt	43,199,050	29,491,544
Cap. lease oblig.	2,194,985	2,719,329
Deferred tax liability	936,176	425,176
+ Common stock	464,937	464,637
Add. paid-in capital	15,642,183	15,633,858
Retained earnings	29,299,445	23,029,411
Total Liabilities & Shareholders' Equity	$ 121,671,426	$ 103,847,266

* At lower of cost or market, by the retail method.
# Less accumulated depreciation
+ $0.10 par value

Statistical Summary

% Income bef. Taxes to Sales	4.38	4.83
% Net Income to Sales	2.34	2.63
% Net Income to Equity	13.81	17.39
Sales to Inventories	4.10	4.57
Working Capital	$68,702,429	$54,969,302
Current Ratio	3.30	2.71
Shareholders' Equity	$45,406,565	$39,127,906

Nordstrom, Inc.

1501 Fifth Avenue
Seattle, Washington 98101
(206) 628-2111

Officers: Bruce A. Nordstrom, John N. Nordstrom, co-chairmen of the board; James F. Nordstrom, president; John A. McMillan, exec. v.p.; Robert E. Bender, sr. v.p.; Barden Erickson, Jack Irving, Elizabeth Sanders, Raymond A. Johnson, Tom Bosch, Bob Nunn, Cindy Demme, R. Gary Baughn, Dale Crichton, Darrel Hume, Gail Lessler, Suzanne Patneaude, Melinda Smith, Paul Hunter, vice presidents; Karen E. Purpur, secretary; John A. Goesling, sr. v.p.

Directors: Bruce A. Nordstrom*, John N. Nordstrom*, John A. McMillan*, James F. Nordstrom*, Robert E. Bender, D. Wayne Gittinger, John F. Harrigan, Malcolm T. Stamper, Elizabeth Crownhart Vaughan

*Member of the Executive Committee

Business Activities: Operates a chain of retail specialty stores located in Washington, Oregon, Alaska, California, Utah and Montana, and leased shoe departments are operated in Hawaii.

Transfer Agent(s):

First Interstate Bank of California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NOBE (NASDAQ)

Number of Stores: (at fiscal year end)

	Specialty Stores	Shoe Stores	Clearance Stores	Leased Shoe Depts.
1985	29	1	4	10
1984	35	1	3	10
1983	35	1	—	11
1982	33	1	—	9
1981	30	1	—	10

Sales and Earnings

	Net Sales	Net Income
1985	$ 982,668,000	$ 40,711,000
1984	787,894,000	40,239,000
1983	612,944,000	27,013,000
1982	522,050,000	24,775,000
1981	407,813,000	19,655,000

	No. of Com. Shares ‡	Earn. per Share ‡
1985	18,686,893	$ 2.18
1984	18,683,718	2.15
1983	16,857,056	1.60
1982	16,557,988	1.50
1981	16,505,536	1.19

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1985	$0.40	—	—
1984	0.28	100%	—
1983	0.25	—	—
1982	0.22	—	—
1981	0.18	—	—

† Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share†
1985	$ 271,709,000	$ 14.54
1984	237,734,000	12.72
1983	201,673,000	11.96
1982	149,071,000	9.00
1981	127,783,000	7.74

† Adjusted to reflect stock dividend.

Income Account *
(000's)

Year ended Jan. 31	1985	1984
Net sales	$ 982,668	$ 787,894
Cost of sales	648,270	509,133
Expenses	243,845	192,813
Interest expense	18,042	12,109
Income before taxes	$ 72,511	$ 73,839
Income taxes	31,800	33,600
Net Income	$ 40,711	$ 40,239

* Included in Costs and Expenses, Depreciation & Amortization: $26,367,000 in 1985 and $19,705,000 in 1984.

Assets
(000's)

As of Jan. 31	1985	1984
Cash	$ 5,915	$ 2,626
Accts. & notes receiv., net	82,750	171,568
*Inventories	162,361	129,588
Prepaid expenses & other assets	5,353	5,257
Current Assets	$ 256,379	$ 309,039
#Fixed assets	313,818	205,597
Other assets	31,093	43
Total Assets	$ 601,290	$ 514,679

Liabilities
(000's)

Long-term debt, curr.	$ 5,150	$ 3,597
Accts. payable	74,055	56,534
Accruals	9,275	5,730

Accrued payroll and taxes	34,510	27,397
Income taxes	42,674	28,491
Notes payable	—	42,879
Curr. Liabilities	$ 165,664	$ 164,628
Long-term debt	124,931	78,717
Obligations under cap leases	26,706	27,220
Deferred taxes	12,280	6,380
+ Common stock	8,573	8,567
Add. paid-in capital	59,099	58,416
Retained earnings	204,037	170,751
Total Liabilities & Shareholders' Equity	$ 601,290	$ 514,679

* At lower of cost (FIFO) or market

# Less accumulated depreciation & amortization

+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	7.38	9.37
%Net Income to Sales	4.14	5.11
%Net Income to Equity	14.98	16.93
Sales to Inventories	6.05	6.08
Working Capital	$139,985,000	$144,411,000
Current Ratio	1.55	1.88
Shareholders' Equity	$271,709,000	$237,734,000

The Oshawa Group Limited

302 The East Mall
Islington, Ontario, Canada M9B 6B8
(416) 236-1971

Officers: Ray D. Wolfe, chairman of the board & chief exec. officer; Allister P. Graham, president & chief operating officer; Philip F. Connell, sr. v.p. & chief financial officer; William L. Atkinson, group v.p.-general merchandise; Jack B. Wolfe, group v.p.-food service and produce companies; Sam Crystal, v.p.-public affairs; Paul B. Nielsen, v.p.-industrial relations; Matilda Manojlov, v.p.-profit improvement; Sidney Pasoff, v.p.-management information services; Murray C. Goldman, v.p.-development; Donald A. Smith, v.p.-human resources; E. Leonard Besler, controller; Leonard Eisen, treasurer; Harold J. Wolfe, secretary & general counsel.

Directors: William L. Atkinson, Murray C. Goldman, Allister P. Graham, Albert Shifrin, Charles Perrault, Arthur J.R. Smith, Harold J. Wolfe, Harvey S. Wolfe, Philip F. Connell, Ray D. Wolfe, Jack B. Wolfe, Jonathan A. Wolfe.

Business Activities: Canadian food supplier through retail outlets in Ontario, Quebec, the Atlantic provinces, Manitoba and Saskatchewan. These comprise franchise markets (including IGA markets) as well as company-owned food markets (Food City Markets, Dutch Boy Food Markets). Also a food wholesaler (Codville Distributors in Manitoba, Saskatchewan and Northwestern Ontario, Toronto Food Division in Ontario, Hudon et Deaudelin Limitee in Quebec and Bolands in the Atlantic Provinces) and food supplier to institutional customers (Hickeson-Langs Supply Company.) The Ontario Produce Company and Dominion Mushroom Company operate Towers, White and Co., Department Stores in Ontario and the Atlantic Provinces and Bonimart Department Stores in Quebec. Kent Drugs Limited, a subsidiary, operates Drug City, Metro Drugs, Discount Marts, pharmacies in Towers Department Stores and health and beauty aid outlets. Also operates real estate subsidiaries.

Divisions:

Bolands
Codville Distributors
Dominion Mushroom Company
Kent Drugs Limited
Convenience Stores and Gas Bars
Langs Cold Storage
The Ontario Produce Company
Restaurants Division
Towers Department Stores
Hudon et Deaudelin Limitee
Model Laundry
Dutch Boy Food Markets
Hickeson-Langs Supply Company
The White & Company
Oshawa Foods
Beverage Dispenser Division
Elliot Marr and Company Limited

Transfer Agent(s):

The Canada Trust Company
Toronto, Montreal, Calgary, Vancouver and Regina

Stock Exchange(s): Toronto, Montreal

Ticker Symbol: OSH

Number of Stores: (at fiscal year end)

	IGA Associates and Other Franchise Food Markets	Company Owned Food Markets	Disc Dept Stores
1985	1,012	82	48
1984	918	83	47
1983	799	77	47
1982	779	81	47
1981	779	73	46

	Pharmacies	Drug Marts	Health & Beauty Aid Stores
1985	22	47	—
1984	22	46	—
1983	23	46	5
1982	22	30	5
1981	22	25	5

	Convenience and Cash & Carry Stores	Restaurants and Snack Bars
1985	331	54
1984	305	56
1983	278	60
1982	248	66
1981	222	67

Sales and Earnings

	Net Sales (000's)	Net Income# (000's)
1985	$ 2,665,774	$ 36,179
1984	2,434,985	25,895
1983	2,118,285	18,327
1982	1,896,569	15,417
1981	1,648,188	16,523

	No. of Com Shares +	Earn. per Share #‡
1985	15,893,746	$ 2.28
1984	15,835,492	1.83
1983	13,776,572	1.33
1982	13,678,546	1.13
1981	13,576,722	1.22

‡ Based on the weighted average Class A and common shares combined outstanding adjusted to reflect stock split.

+ Class A and common shares combined outstanding adjusted to reflect stock split.

# Including extraordinary gains of $1,415,000 ($0.11 per share) in 1983, $107,000 ($0.01 per share) in 1982, and $3,037,000 ($0.23 per share) in 1981.

Revenues By Line of Business
(000's)

	1985	1984
Food Distribution	$ 2,185,813	$ 1,984,750
General Merchandise	471,146	443,409
Real Estate	8,815	6,826
Total	$ 2,665,774	$ 2,434,985

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1985	$0.40½	—	2-for-1
1984	0.33	—	—
1983	0.30	—	—
1982	0.28¼	—	—
1981	0.23½	—	—

‡ Class A and common shares combined adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 226,084,000	$ 14.22
1984	195,223,000	12.33
1983	142,774,000	10.36
1982	127,825,000	9.34
1981	115,605,000	8.51

‡ Based on the weighted average number of combined Class A and common shares outstanding adjusted to reflect stock split.

Income Account
(000's)

Year ended	1/26/85	1/28/84
Net sales	$ 2,665,774	$ 2,434,985
Cost of sales & expenses	2,585,192	2,366,327
Depreciation	15,189	14,287
Interest expense	7,258	11,066
Int. & dividends earned	(5,464)	(2,233)
Income before taxes	$ 63,599	$ 45,538
Income taxes	27,420	19,643
Net Income	$ 36,179	$ 25,895

Assets
(000's)

As of	1/26/85	1/28/84
Cash & marketable sec.	$ 40,500	$ 19,603
Accts. receiv., net	76,041	64,230
Real estate held for sale	2,256	2,398
*Inventories	176,744	172,339
Prepaid expenses	4,971	4,878
Current Assets	$ 300,512	$ 263,448
Loans & mortgages rec.	768	1,014
#Fixed assets	174,976	161,759
Other assets	7,666	9,410
Total Assets	$ 483,922	$ 435,631

Liabilities
(000's)

Bank indebtedness & notes payable	$ 23,628	$ 15,332
Long-term debt, curr.	1,532	713
Accts. pay. & accruals	153,145	144,381
Income taxes payable	11,200	10,520
Curr. Liabilities	$ 189,505	$ 170,946
Long-term debt	56,255	58,202
Deferred inc. taxes	12,078	11,260
+ Common stock	44	44
+ Class A stock	94,299	93,194
Retained earnings	131,741	101,985
Total Liabilities & Shareholders' Equity	$ 483,922	$ 435,631

* At lower of cost (FIFO) and net realizable value

# Less accumulated depreciation.

+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	2.38	1.87
%Net Income to Sales	1.35	1.06
%Net Income to Equity	16.00	13.26
Sales to Inventories	15.08	14.13
Working Capital	$111,007,000	$92,502,000
Current Ratio	1.58	1.54
Shareholders' Equity	$226,084,000	$195,223,000

Oshman's Sporting Goods, Inc.

2302 Maxwell Lane
Houston, Texas 77023
(713) 928-3171

Officers: Jeanette Oshman Efron, chairman of the board; Alvin N. Lubetkin, vice chairman of the board, chief exec. officer & chairman of the exec. comm.; Marvin Aronowitz, president & chief operating officer; Edward R. Carlin, v.p. & chief financial officer; Allan Lisse, Glen B. Boyd, Edgar H. Regan, Joe D. Nanny, Charles Rosemond, Michael B. Karchmer, v.p.'s; Richard L. Bockart, v.p. & treasurer

Directors: Jeanette Oshman Efron, chairman; Alvin N. Lubetkin*, Marvin Aronowitz*, Fred M. Gerson, Richard L. Bockart*, J. Mark Westheimer, Paul Stoffel, Judy O. Margolis, Marilyn O. Lubetkin, Edward R. Carlin*

* Member of the Executive Committee

Business Activities: Operates a chain of sporting goods stores in Texas, Georgia, Arizona, California, Alabama, Nevada, New Mexico, Hawaii, Oklahoma, Arkansas, Tennessee, Louisiana, and Florida. Stores operate under the name Oshman's. Also operates 18 Abercrombie & Fitch stores in 10 states and Washington, D.C.

Transfer Agent(s):

M Bank Houston N.A.
Houston, Texas

Stock Exchange(s): Over-the-Counter

Ticker Symbol: OSHM (NASDAQ)

Number of Stores: (at fiscal year end)

1985	192	1982	149
1984	186	1981	132
1983	177		

Sales and Earnings

	Net Sales	Net Income
1985*	$ 304,419,000	$ 10,069,000
1984	283,238,000	10,303,000
1983	247,264,000	7,091,000
1982	216,427,000	7,552,000
1981	144,889,000	4,999,000

	No. of Com. Shares #	Earn. per Share #
1985*	6,406,000	$ 1.53
1984	6,767,000	1.52
1983	6,755,000	1.05
1982	6,736,839	1.12
1981	6,723,014	0.74

* 53 weeks
# Based on the weighted average number of common shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.20	—	—
1984	0.17	—	—
1983	0.16	—	—
1982	0.15	50%	—
1981	0.13	—	—

+ Adjusted to reflect stock dividend

Common Stock Equity

	Total Equity	Equity Per Share +
1985	$ 63,909,000	$ 9.98
1984	61,451,000	9.08
1983	52,187,000	7.73
1982	46,024,000	6.83
1981	39,383,000	5.86

+ Based on the weighted average number of common shares outstanding adjusted to reflect stock dividend

Income Account *
(000's)

Year ended	2/2/85	1/28/84
Net sales	$ 304,419	$ 283,238
Cost of sales	182,055	170,095
Expenses	103,844	94,175
Other income	(1,899)	(1,992)
Interest expense	2,050	2,357
Income before taxes	$ 18,369	$ 18,603
Income taxes	8,300	8,300
Net Income	$ 10,069	$ 10,303

* Included in Costs and Expenses: Depreciation and Amortization: $4,304,000 in 1985 and $4,015,000 in 1984.

Assets
(000's)

As of	2/2/85	1/28/84
Cash	$ 12,667	$ 23,004
Accts. receiv., net	7,690	7,653
*Inventories	67,664	58,688
Prepaid expenses	2,483	2,333
Current Assets	$ 90,504	$ 91,678
#Fixed assets	32,001	30,134
Intangibles	660	721
Total Assets	$ 123,165	$ 122,533

Liabilities
(000's)

Long-term debt, curr.	$ 2,404	$ 2,780
Accts. payable	21,567	23,541
Accruals	12,016	10,318
Income taxes	6,720	5,955
Curr. Liabilities	$ 42,707	$ 42,594
Long-term debt	13,617	16,318
Deferred inc. taxes	2,932	2,170
+ Common stock	6,406	6,767
Add. paid-in capital	1,232	1,252
Retained earnings	56,271	53,432
Total Liabilities & Shareholders Equity	$ 123,165	$ 122,533

* At lower of cost (LIFO) or market
# Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

% Income bef. Taxes to Sales	6.03	6.57
% Net Income to Sales	3.30	3.64
% Net Income to Equity	15.75	16.77
Sales to Inventories	4.49	4.83
Working Capital	$47,797,000	$49,084,000
Current Ratio	2.11	2.15
Shareholders' Equity	$63,909,000	$61,451,000

Pacific Gamble Robinson Co.

4103 Second Avenue South
Seattle, Washington 98134
(206) 624-0111

Officers: Douglas S. Gamble, president; E.A. Thompson, exec. vice president; Donald P. Gamble, Jr., vice president; E.W. Sandygren, v.p. & secretary; John L. Knutson, treasurer; Richard Elzner, Ethel E. Ratfield, Douglas R. Hendel, asst. secretaries

Directors: Mervin Arenchild, Douglas S. Gamble*, E.A. Thompson*, Donald P. Gamble, Jr., Douglas R. Hendel, Norman C. Morrison, E.W. Sandygren*, Virginia L. Parks, George K. Gosko, Hans G. Willers

* Member of the Executive Committee

Business Activities: Operates 25 conventional supermarkets (Family Market and Tradewell Stores) and 60 wholesale type markets (Prairie Markets). These stores are located in Oregon, Washington and California. Also conducts shipping, distributing and trucking operations.

Divisions and Subsidiaries:

Retail Division
Kent, Washington 98031
(206) 226-3700

Tradewell Stores, Inc.
Prairie Market
Family Market

Shipping Division
Fremont, California 94538
(415) 656-1311

Pacific Fruit & Produce Co.
Pacific Fruit Company
International Fruit Distributors
Growers Container Supply Corp.
Management Services International, Inc.
Food Products International

Trucking Division
Seattle, Washington 98108
(206) 767-3605

Distribution Division
Seattle, Washington 98124
(206) 624-0111

Pacific Fruit & Produce Co.
Gamble Robinson Co.
Wisconsin Distributing Co. of Wausau, Inc.
Slade & Stewart Ltd.

Manufacturing Division
Minneapolis, Minnesota 55405
(612) 338-8566

NEPA Pallet & Container Co., Inc.
Select Pallet Co.

Transfer Agent(s):

Rainier National Bank
P.O. Box 24407
Seattle, Washington 98124

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PGAM (NASDAQ)

Number of Stores: (at fiscal year end)

1984	85	1981	107
1983	N.A.	1980	119
1982	107		

Sales and Earnings

	Net Sales	Net Income
1984	$ 842,074,626	$ 1,392,970
1983	833,199,313	3,121,046
1982	836,878,357	3,781,032
1981	810,357,140	4,598,170
1980	750,239,006	6,000,845

	No. of Com. Shares #	Earn. per Share #
1984	1,967,597	$ 0.71
1983	1,938,573	1.61
1982	1,898,442	1.99
1981	2,077,870	2.21
1980	2,071,093	2.59

# Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1984	$1.42	2%	—
1983	1.54	2%	—
1982	1.51	2%	—

1981	1.48	2%
1980	1.43	2%

Adjusted to reflect stock dividends

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 53,831,000	$ 27.14
1983	55,071,000	28.22
1982	53,885,000	28.26
1981	58,106,000	27.90
1980	56,665,000	27.31

Adjusted to reflect stock dividends

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 842,074,626	$ 833,199,313
Cost of sales	672,724,697	664,212,202
Expenses	165,333,341	160,472,122
Oper. profit	$ 4,016,588	$ 8,514,989
Other income	4,280,737	1,752,587
Total	$ 8,297,325	$ 10,267,576
Interest expense	6,172,355	5,648,530
Income before taxes	$ 2,124,970	$ 4,619,046
Income taxes	732,000	1,498,000
Net Income	$ 1,392,970	$ 3,121,046

* Included in Costs and Expenses, Depreciation and Amortization: $9,616,181 in 1984 and $9,190,446 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 3,917,642	$ 2,165,634
Accts. receiv., net	29,388,185	31,284,473
Other receiv.	7,316,292	6,030,123
*Inventories	37,022,964	44,827,051
Prepaid expenses & defer. inc. taxes	3,399,808	3,188,048
Current Assets	$ 81,044,891	$ 87,495,329
#Fixed assets	63,617,501	63,449,174
Other assets	2,584,058	4,303,095
Total Assets	$ 142,619,902	$ 156,030,536

Liabilities

Outstanding checks	$ —	$ 8,553,392
Long-term debt, curr.	5,946,759	1,321,725
Oblig. under cap. leases, curr.	1,403,683	1,334,741
Accts. payable & accruals	37,690,663	36,242,645
Income taxes	1,744,010	1,894,914
Curr. Liabilities	$ 46,785,115	$ 49,347,417
Long-term debt	21,895,988	32,448,538
Oblig. under cap. leases	14,842,582	14,532,917
Deferred income taxes	5,265,500	4,630,500
+ Common stock	10,741,055	10,481,700
Add. paid-in capital	17,386,978	16,564,931
Retained earnings	30,685,697	33,089,653
Treasury stock	(4,208,964)	(4,750,144)
Foreign currency translation	(774,049)	(314,976)
Total Liabilities & Shareholders' Equity	$ 142,619,902	$ 156,030,536

* At lower of cost (LIFO) or market
# Less accumulated depreciation and amortization
+ $5 par value

Statistical Summary

%Income bef. Taxes to Sales	0.25	0.55
%Net Income to Sales	0.17	0.37
%Net Income to Equity	2.59	5.67
Sales to Inventories	22.74	18.59
Working Capital	$34,259,776	$38,147,912
Current Ratio	1.73	1.77
Shareholders' Equity	$53,830,717	$55,071,164

Paul Harris Stores, Inc.

6003 Guion Road
P.O. Box 68162
Indianapolis, Indiana 46268
(317) 293-3900

Officers: Gerald Paul, president & chief executive officer, David R. Bomberger, exec. v.p., Edward J. Galm, sr. v.p.-finance & treasurer, Howard W. Barnett, v.p.-real estate, Russell Frankel, v.p.-stores administration, Cynthia Harriss, v.p. & director of stores, William L. Lawrence, Jr., controller & secretary, Ray Miller, asst. treasurer, Jerry Preis, Jan Woodruff, v.p.'s-merchandising, Helen L. Price, v.p.-accessories, Richard Smithson, v.p. & merchandising manager-Budget Division, Rex Steffey, v.p.-marketing, planning & distribution.

Directors: Earl Harris*, chairman, Gerald Paul, C. Benjamin Dutton, Eugene L. Step, Allen L. Boorstein, William F. Fruhan, David R. Bomberger, Irwin Katz, Tomio Taki

* Member of the Executive Committee

Business Activities: Operates sportswear apparel shops for women and men in Indiana, Kentucky, Ohio, Iowa, Illinois, Delaware, Georgia, Kansas, Maryland, Michigan, Mississippi, Missouri, New Jersey, North Carolina, Oklahoma, Pennsylvania, South Carolina, Texas, Virginia, Wisconsin, Washington D.C. and Tennessee. These include a chain of "budget stores."

Transfer Agent(s):

Merchants National Bank
Indianapolis, Indiana

Stock Exchange(s): Over the Counter

Ticker Symbol: PHRS (NASDAQ)

Number of Stores: (at fiscal year end)

1984	197	1981	172
1983	171	1980	175
1982	172		

Sales and Earnings

	Net Sales	Net Income
1985	$ 111,175,000	$ 4,019,000
1984	101,053,000	3,398,000
1983	90,385,858	706,083
1982	86,339,159	(1,136,608)
1981	83,639,947	266,493

	No. of Com. Shares +	Earn. per Share +
1985	2,482,727	$ 1.62
1984	2,216,226	1.53
1983	1,782,625	0.40
1982	1,773,795	
1981	1,750,427	0.15

(Loss)
+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	—	—	—
1984	—	—	4 for 3

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 22,912,000	$ 9.23
1984	18,773,000	8.01
1983	10,671,774	6.01
1982	9,965,691	5.61
1981	11,005,137	6.32

‡ Adjusted to reflect stock split

Income Account

Year ended	2/2/85	1/28/84
Net sales	$ 111,175,000	$ 101,053,000
Cost of sales	69,661,000	63,200,000
Expenses	30,313,000	27,695,000
Depreciation	2,478,000	2,316,000
Interest expense	1,328,000	1,482,000
Income before taxes	$ 7,395,000	$ 6,360,000
Income taxes	3,376,000	2,962,000
Net Income	$ 4,019,000	$ 3,398,000

Assets

As of	2/2/85	1/28/84
Cash	$ 637,000	$ 922,000
Short-term invest.	54,000	5,141,000
Accts. receiv., net	761,000	361,000
*Inventories	22,724,000	15,760,000
Prepaid expenses	1,256,000	104,000
Current Assets	$ 25,432,000	$ 22,288,000
#Fixed assets	18,325,000	16,626,000
Other assets	488,000	451,000
Total Assets	$ 44,245,000	$ 39,365,000

Liabilities

Notes payable	$ 3,300,000	$ —
Long-term debt, curr.	1,099,000	1,090,000
Accts. payable	4,811,000	4,579,000
Accruals	1,610,000	1,499,000
Accrued payroll	1,343,000	1,529,000
Income taxes payable	814,000	2,540,000
Curr. Liabilities	$ 12,977,000	$ 11,237,000
Long-term debt	7,387,000	8,436,000
Deferred inc. taxes	969,000	919,000
+ Common stock	7,106,000	6,986,000
Retained earnings	15,806,000	11,787,000
Total Liabilities & Shareholders' Equity	$ 44,245,000	$ 39,365,000

* At lower of cost (FIFO) or market
# Less accumulated depreciation and amortization
+ No par value

Statistical Summary

%Income bef. Taxes to Sales	6.65	6.29
%Net Income to Sales	3.62	3.36
%Net Income to Equity	17.54	18.10
Sales to Inventories	4.89	6.41
Working Capital	$12,455,000	$11,051,000
Current Ratio	1.96	1.98
Shareholders' Equity	$22,912,000	$18,773,000

Pay 'N Pak Stores, Inc.

1209 South Central
P.O. Box 808
Kent, Washington 98032
(206) 854-5450

Officers: David J. Heerensperger, chairman of the board & chief exec. officer, Jerry L. Marlow, president & chief operating officer, Monte A. Leen, executive vice president, Peter W. Gallina, v.p.-real estate & store development, Victor W. Crosswhite, v.p.-purchasing, Halvor Knudtzon, Jr., secretary-treasurer, Calvin E. Karbowski, v.p.-distribution, George E. Smith, v.p.-training.

Directors: David J. Heerensperger, chairman, Halvor Knudtzon, Jr., Woodrow C. Button, Marshall J. Weigel, Jerry L. Marlow, Monte A. Leen, Jerry Horn

Areas of Work: Operates a chain of stores which features a complete line of home improvement products, including electrical and plumbing supplies, building materials, cabinets and built-in appliances. Stores are located in 16 western and midwestern states, including Alaska

Subsidiaries:

Pay 'N Pak Properties, Inc
Eagle Electric & Plumbing Supply, Inc

Transfer Agent(s):

Security Pacific National Bank
Los Angeles, California

Stock Exchange(s): New York

Ticker Symbol: PNP

Number of Stores: (at fiscal year end)

1985	101	1982	88
1984	100	1981	84
1983	98		

Sales and Earnings

	Revenues	Net Income
1985	$ 305,185,000	$ 10,105,000
1984	250,040,235	10,024,899
1983	187,337,902	6,368,044
1982	180,973,899	7,198,966
1981	151,765,190	6,448,801

	No. of Com Shares +	Earn per Share ‡
1985	10,002,832	$ 1.01
1984	10,002,832	1.11
1983	7,652,830	0.87
1982	7,303,464	0.99
1981	7,303,464	0.88

+ Adjusted to reflect stock dividend and stock split
‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock dividend and stock split

Revenues By Line of Business

	1985	1984	1983	1982
Electrical	25%	28%	31%	31%
Plumbing	22	23	25	23
Building materials	53	49	41	37
Automotive & sporting goods	—	–	3	9
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1985	$0.60	—	—
1984	0.56	—	3-for-2
1983	0.507	—	—
1982	0.461	10%	–
1981	0.412	—	—

‡ Adjusted to reflect stock dividend and stock split

Common Stock Equity

	Total Equity	Equity Per Share +
1985	$ 97,776,000	$ 9.77
1984	93,673,204	9.36
1983	47,430,094	6.20
1982	40,162,336	5.50
1981	36,213,472	4.96

+ Adjusted to reflect stock dividend and stock split

Income Account

Year ended Feb 28	1985	1984
Revenues	$ 305,185,000	$ 250,040,235
Cost of sales	200,681,000	157,961,944
Expenses	69,167,000	60,268,155
Rent	6,297,000	4,619,744
Depreciation	6,873,000	5,999,412
Interest expense	3,161,000	3,340,081
Other interest	586,000	—
Income before taxes	$ 18,420,000	$ 17,850,899
Income taxes	8,315,000	7,826,000
Net Income	$ 10,105,000	$ 10,024,899

Assets

As of Feb 28	1985	1984
Cash	$ 2,775,000	$ 535,690
Accts & notes receiv , net	1,762,000	1,887,084
*Inventories	96,253,000	93,913,073
Prepaid expenses	2,407,000	1,348,382
Current Assets	$ 103,197,000	$ 97,684,229
#Fixed assets	87,281,000	65,544,272
Other assets	291,000	252,125
Total Assets	$ 190,769,000	$ 164,480,626

Liabilities

Payable to bank	$ 5,637,000	$ 1,500,000
Notes payable	11,602,000	9,700,000
Long-term debt, curr	1,687,000	1,686,097
Accts payable	22,793,000	21,313,332
Accruals	932,000	708,217
Accrued payroll & prof sh	3,837,000	3,643,169
Income taxes	428,000	636,934
Other taxes	1,958,000	2,118,229
Curr Liabilities	$ 48,874,000	$ 41,305,978
Long-term debt	41,641,000	28,448,453
Deferred income taxes	2,281,000	825,301
Deferred income	197,000	227,690
+ Common stock	1,000,000	1,000,283
Add paid-in capital	66,722,000	66,722,067
Retained earnings	30,054,000	25,950,854
Total Liabilities & Shareholders' Equity	$ 190,769,000	$ 164,480,626

* At lower of cost (FIFO) or market
# Less accumulated depreciation & amortization
+ $0.10 par value

Statistical Summary

%Income bef Taxes to Revenues	6.04	7.14
%Net Income to Revenues	3.31	4.01
%Net Income to Equity	10.33	10.70
Working Capital	$54,323,000	$56,378,251
Current Ratio	2.11	2.36
Shareholders' Equity	$97,776,000	$93,673,204

Pay'n Save Corporation

1511 Sixth Avenue
Seattle, Washington 98101
(206) 621-6600

Officers: M Lamont Bean, chairman of the board & chief executive officer; E Ronald Erickson, president & chief operating officer; Calvin Hendricks, vice chairman of the board & chief financial officer; Bill Boston, v p & Ernst general manager; Walter R Guidinger, v p -property development; Jack Phelan, v p & pres -Bi-Mart Company; Joseph Christy, v p & pres -Northwestern Drug Co ; Gordon Lee Smith, v p -human resources; Raymond C Swanson, secretary; Barry Weston, v p & treasurer; Dick Curtis, v p & pres -Lamonts Apparel, Inc ; Stan Johnson, v p & regional mgr ; Tom Lawrenson, v p & gen mgr -Von Tobel; Verne Netzer, v p -real estate; Debbie O'Brien, asst treasurer; Kristopher Galvin, controller; Michael T Crewdson, asst controller; David LaBau, asst secretary; Tom Grimm, president-Price Savers Wholesale Club; Howard E Jones, president-Schuck's Auto Supply, Inc

Directors: M Lamont Bean*, chairman; Fenwick J Crane, Earl W Smith, E R Erickson*, Calvin Hendricks*, Raymond C Swanson

* Member of the Executive Committee

Business Activities: Operates 143 drug marts under the Pay'n Save and Bi-Mart names, 90 home center stores under the Ernst, Yard Birds, Von Tobel's, and Sportswest names, and 24 Lamonts apparel stores offering moderately priced clothing for the entire family. In addition to offering sports equipment, the Sportswest stores also carry athletic wear. The company operates in 10 Western states, including Alaska and Hawaii

Subsidiaries:

Northwestern Drug Co
Schucks Auto Supply, Inc
Sportswest
Yard Birds Stores
Lamonts Apparel Stores
Ernst Home Centers
Bi-Mart Company

All at
1511 Sixth Avenue
Seattle, Washington 98101
(206) 621-6617

Von Tobel's Home Center
Las Vegas, Nevada

Price Savers Wholesale Club
Salt Lake City, Utah

Transfer Agent(s):

Peoples National Bank of Washington
Seattle, Washington 98101

Bradford Trust Company
New York, New York

Stock Exchange(s): Over the Counter

Ticker Symbol: PAYN (NASDAQ)

Number of Stores: (at fiscal year end)

1984	315	1981	284
1983	307	1980	245
1982	293		

Sales and Earnings ×

	Net Sales	Net Income
1984	$1,220,521,000	$ 30,104,000
1983	1,091,287,000	19,593,000
1982	992,326,000	15,250,000
1981	860,888,000	21,215,000
1980	742,003,000	21,796,000

	No. of Com Shares +	Earn per Share #
1984	15,231,000	$ 2.02
1983	13,800,000	1.41
1982	13,799,000	1.10
1981	13,796,000	1.54
1980	13,760,000	1.58

× Restated to include operations of Schuck's Auto Supply, Inc acquired on a pooling of interests basis
+ Adjusted to reflect stock split
# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split

Revenues By Line of Business

	1984	1983
Drug	$ 718,089,000	$ 646,475,000
Home center	321,326,000	288,408,000
Apparel	121,984,000	108,335,000
Auto specialty	59,122,000	48,069,000
Total	$1,220,521,000	$1,091,287,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.545	—	2-for-1
1983	0.50	—	—
1982	0.50	—	—
1981	0.43	—	—
1980	0.36	—	—

+ Adjusted to reflect stock split

Common Stock Equity •

	Total Equity	Equity Per Share ‡
1984	$ 218,905,000	$ 14.37
1983	165,640,000	12.00
1982	151,864,000	11.01
1981	146,288,000	10.60
1980	132,699,000	9.64

• Restated
‡ Adjusted to reflect stock split

Income Account *
(000's)

Year ended	1/28/84	1/29/83 ‡
Net sales	$ 1,220,521	$ 1,091,287
Other income	4,853	4,198
Total Income	$ 1,225,374	$ 1,095,485
Cost of sales	856,049	767,725
Expenses	295,023	269,247
Interest expense	17,947	22,633
Income bef. taxes	$ 56,355	$ 35,880
Income taxes	26,251	16,287
Net Income	$ 30,104	$ 19,593

* Included in Costs and Expenses. Depreciation $15,255,000 in 1984 and $15,559,000 in 1983
‡ Restated

Assets
(000's)

As of	1/28/84	1/29/83 ‡
Cash	$ 17,462	$ 14,253
Accts. receiv., net	10,033	11,229
*Inventories	232,443	219,231
Prepaid expenses	1,690	930
Curr. assets	$ 261,628	$ 245,643
#Fixed assets	212,059	207,866
Other assets & intangibles	17,062	14,609
Total Assets	$ 490,749	$ 468,118

Liabilities
(000's)

Long-term debt, curr.	$ 4,164	$ 4,376
Accts. payable	89,284	71,185
Accruals	30,488	25,918
Income taxes	7,017	5,602
Curr. Liabilities	$ 130,953	$ 107,081
Long-term debt	30,839	86,628
Oblig. under cap. leases	106,323	106,384
Other liab.	3,729	2,385
+ Common stock	66,848	36,382
Retained earnings	152,057	129,258
Total Liabilities & Shareholders' Equity	$ 490,749	$ 468,118

‡ Restated
* At lower of cost (FIFO) or market
# Less accumulated depreciation and amortization
+ No par value

Statistical Summary

%Income bef. Taxes to Sales	4.62	3.29
%Net Income to Sales	2.47	1.80
%Net Income to Equity	13.75	11.83
Sales to Inventories	5.25	4.98
Working Capital	$130,675,000	$138,562,000
Current Ratio	2.00	2.29
Shareholders' Equity	$218,905,000	$165,640,000

Payless Cashways, Inc.

2301 Main
P.O. Box 466
Kansas City, Missouri 64141-0466
(816) 471-5500

Officers: J. Stanley Covey, chairman of the board; David Stanley, president and chief executive officer; Harlon L. Seats, John P. Herron, exec. v.p.'s; Richard E. Hemer, senior v.p.; Stephen A. Lightstone, v.p.-finance & chief financial officer; Fred Olson, v.p.-human resources; Larry Koeppen, v.p.-operations systems; John H. Breedlove, v.p.-merchandising; Dale C. Pond, v.p.-marketing; Larry E. Morrissey, v.p.-eastern region; Roger Weverka, v.p.-southern region; Michael H. Didier, v.p.-construction; Susan Stanton, v.p.-corporate planning; David O'Halloran, v.p. and controller; John Woodfill, secretary-treasurer; Jean Warren, asst. treasurer; Linda J. French, general counsel and secretary; Bruce E. Hokanson, regional v.p.; John Fischer, regional executive; Stanley K. Boyd, regional v.p.

Directors: J. Stanely Covey, chairman; V. W. Furrow, Leon E. Hickman, David Stanley, F. John Roost, Edward C. Thompson, Harlon L. Seats, John D. Dienes, Ralph Strangis, Richard E. Hemer, Harold Cohen

Business Activities: Full-line building materials specialty retailer concentrating its sales efforts on the do-it-yourself market. The company operates 100 Payless Cashways and Furrow Building Material stores in 14 Midwestern, Southwestern, and Pacific Coast states.

Acquisition(s):

Wood Brothers Lumber Company
Tucson, Arizona

Prime Home Inprovement Centers, Inc.
Denver, Colorado

Prime Home Improvement Centers

Somerville Lumber and Supply Co., Inc.

Wood Brothers Lumber Company

Transfer Agent(s):

Norwest Bank Des Moines, N.A.
Des Moines, Iowa

Bradford Trust Company
New York, New York

Norwest Bank Minneapolis, N.A.
Minneapolis, Minnesota

Stock Exchange(s): New York

Ticker Symbol: PCI

Number of Stores: (at fiscal year end)

1984	157	1981	86
1983	115	1980	78
1982	100		

Sales and Earnings ‡

	Net Sales #	Net Income
1984	$1,175,583,000	$ 37,116,000
1983	1,006,795,000	40,635,000
1982	721,832,000	29,207,000
1981	575,874,000	20,684,000
1970	438,823,000	13,300,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	32,333,000	$ 1.15
1983	32,252,000	1.26
1982	29,651,000	0.98
1981	28,921,000	0.71
1980	26,676,000	0.49

‡ Restated to include operations of Prime Home Improvement Centers, Inc. and Somerville Lumber and Supply Co., Inc. acquired on a pooling of interest basis.
# Includes other income
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$0.16	—	—
1983	0.12	—	2-for-1
1982	0.10	—	—
1981	0.75	—	—
1980	0.75	—	—

‡ Adjusted to reflect stock split

Common Stock Equity •

	Total Equity	Equity Per Share ‡
1984	$ 257,235,000	$ 7.96
1983	231,127,000 +	7.17
1982	166,823,000	5.63
1981	115,769,000	4.00
1980	92,879,000	3.48

• Restated
+ After allowing for preferred stock at par value
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split

Income Account
(000's)

Year ended	11/24/84	11/26/83 ‡
Net sales	$ 1,174,418	$ 1,005,806
Other income	1,165	989
Total income	$ 1,175,583	$ 1,006,795
Cost of sales	812,756	692,645
Expenses	266,485	218,381
Depreciation & amortization	16,981	12,489
Interest expense	12,065	6,984
Inc. bef. taxes	$ 67,296	$ 76,296
Income taxes	30,180	35,661
Net Income	$ 37,116	$ 40,635

‡ Restated

Assets

As of	11/24/84	11/26/83 ‡
Cash & cash equip	$ 385	$ 5,900
Accts. receiv., net	5,757	4,485
*Inventories	247,944	188,781
Prepaid & other assets	6,575	11,981
Current Assets	$ 260,661	$ 211,120
#Fixed assets	264,979	192,096
Other assets	28,148	19,913
Total Assets	$ 553,788	$ 423,129

Liabilities
(000's)

Long-term debt, curr.	$ 3,871	$ 2,331
Accts. payable	79,014	46,701
Accruals	15,634	18,272
Accrued payroll	12,165	12,118
Income taxes	2,112	8,399
Other taxes	8,135	6,242
Payroll taxes	529	321
Curr. Liabilities	$ 121,460	$ 94,384
Long-term debt	161,374	87,477
Deferred inc. taxes	13,163	9,318
Deferred credits	556	823
+ Preferred stock	—	83
+ + Common stock	16,167	16,167
Add. paid-in capital	61,973	61,868
Retained earnings	179,095	153,009
Total Liabilities & Shareholders' Equity	$ 553,788	$ 423,129

‡ Restated
* At lower of cost (LIFO and FIFO) or market
# Less accumulated depreciation and amortization
+ $5 par value, $6 cumulative
+ + $0.50 par value

Statistical Summary

%Income bef. Taxes to Sales	5.73	7.59
%Net Income to Sales	3.16	4.04
%Net Income to Equity	14.43	17.58
Sales to Inventories	4.74	5.33
Working Capital	$139,201,000	$116,736,000
Current Ratio	2.15	2.24
Shareholders' Equity	$257,235,000	$231,127,000

Paysaver Catalog/Showrooms, Inc.

705 Meadow Street
Chicopee, Massachusetts 01013
(413) 594-6621

Mailing address

P.O. Box 2010
Springfield, Massachusetts 01101

Officers: Mortimer A. Polep, chairman of the board & treasurer; Charles L. Polep, president; James A. Polep, sr. v.p.; Nathan Fox, exec. v.p.; William A. Randall, Odo Palazzi, Gerald Shible, Stephen Peskin, v.p.s; David A. Shrair, secretary

Directors: Mortimer A. Polep, Charles L. Polep, Nathan Fox, David A. Shrair, James Polep

Areas of Work: Operates four catalog showrooms in Western Massachusetts selling jewelry, gifts, photo equipment, stereo components, small appliances, luggage, gifts, toys and home computers. The Company has a limited mail order service and handles limited industrial and bank promotions as well as some wholesale sales.

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): Boston

Ticker Symbol: PCS

Number of Stores: (at fiscal year end)

1985	5	1982	4
1984	5	1981	4
1983	4		

Sales and Earnings

	Net Sales +	Net Income †
1985	$ 15,667,611	$ (34,947)
1984	13,951,185	116,628
1983	13,076,417	37,078
1982	12,980,914	237,610
1981	12,915,319	292,406

	No. of Com. Shares	Earn. per Share# †
1985	1,423,650	$
1984	1,425,150	0.08
1983	1,425,150	0.03
1982	1,425,150	0.17
1981	1,430,103	0.20

(Loss)
+ Of continuing operations only
† Including extraordinary gain of $56,006 ($0.04 per share) in 1985
# Based on the weighted average number of shares outstanding

Common Stock Equity

	Total Equity	Equity Per Share #
1985	$ 2,888,042	$ 2.03
1984	2,924,208	2.05
1983	2,807,580	1.97
1982	2,770,502	1.99
1981	2,532,892	1.77

Based on the weighted average number of shares outstanding.

Income Account *

Year ended	2/28/85	2/25/84
Net sales	$ 15,667,611	$ 13,951,185
Cost of sales	11,267,359	10,091,963
Expenses	4,188,085	3,426,902
Interest expense	268,213	218,652
Interest income	(106)	(1,706)
Expenses of discont. oper.	19,830	31,827
Income (loss) before taxes	$ (75,770)	$ 183,547
Income taxes	15,183	66,919
Net Income (Loss)	$ (90,953)	$ 116,628
Extraord. gain	56,006	
Net Income (Loss) & extraord. gain	$ (34,947)	$ 116,628

* Included in Costs and Expenses, Depreciation and Amortization: $148,801 in 1985 and $111,477 in 1984.

Assets

As of	2/28/85	2/25/84
Cash	$ 53,178	$ 20,347
Accts. receiv., net	360,141	233,166
*Inventories	6,881,300	6,368,940
Income taxes refundable	77,664	
Prepaid expenses	68,571	78,613
Current Assets	$ 7,440,854	$ 6,701,066
Deferred interest	786,168	748,902
#Fixed assets	9,180	11,727
Total Assets	$ 8,236,202	$ 7,461,695

Liabilities

Notes payable	$ 579,537	$ 1,905,676
Due to affiliates	1,154,665	1,160,894
Accts. payable & accruals	1,643,839	1,074,439
Income taxes		40,341
Other taxes	10,070	13,327
Curr. Liabilities	$ 3,388,111	$ 4,194,677
Long term debt	1,921,402	319,346
Deferred income taxes	38,647	23,464
+ Common stock	52,000	52,000
Add. paid in capital	889,738	889,738
Retained earnings	2,002,878	2,037,825
Treasury stock	(56,574)	(55,355)
Total Liabilities & Shareholders' Equity	$ 8,236,202	$ 7,461,695

* At cost (FIFO) determined by the retail inventory method.
# Less accumulated depreciation and amortization.
+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Sales		1.32
%Net Income to Sales		0.84
%Net Income to Equity		3.99
Sales to Inventories	2.28	2.19
Working Capital	$4,052,743	$2,506,389
Current Ratio	2.20	1.60
Shareholders' Equity	$2,888,042	$2,924,208

Penn Traffic Company

319 Washington Street
Johnstown, Pennsylvania 15901
(814) 536-4411

Officers: Guido Malacarne, president & chief executive officer; Robert A. Allen, Raymond J. Heath, Richard P. Reading, vice presidents; John M. Kriak, v.p., secretary & treasurer; John F. Stewart, asst. treasurer, asst. secretary & corp. controller; Frederick R. Beck, James J. Wagner, asst. secretaries.

Directors: William O. Ames, David J. King, Guido Malacarne*, Lawrence H. Parrott*, Howard M. Picking, III, J. David Quinn, Richard P. Reading*, H.J. Zoffer, William H. Shenkle, Rollin J. Reading, Jr.

* Member of the Executive Committee.

Areas of Work: Operates two supermarket companies. The Riverside Division operates under the Riverside or BI-LO names, and Quality Markets, Inc., a wholly-owned subsidiary, operates supermarkets under the name Quality Markets. Supermarkets are located in western Pennsylvania, southwestern New York and eastern Ohio. Also operates a dairy business.

Divisions:

Johnstown Sanitary Division
Johnstown, Pennsylvania

Riverside Supermarket Division
DuBois, Pennsylvania

Subsidiaries:

Quality Markets, Inc.
101 Jackson Avenue W.E.
Jamestown, New York 14701
(716) 664-6010

Transfer Agent(s):

United States National Bank of Johnstown
Johnstown, Pennsylvania

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: PNF

Number of Stores: (at fiscal year end)

1985	56	1982	71
1984	75	1981	69
1983	69		

Sales and Earnings

	Net Sales ‡	Net Income
1985	$ 541,765,000	$ 3,852,000
1984	518,898,000	6,402,000
1983	462,425,000	5,360,000
1982	415,818,000	4,454,000
1981	389,297,000	5,987,000

	No. of Com. Shares #	Earn. per Share #
1985	2,107,114	$ 1.83
1984	2,101,721	3.05
1983	2,121,346	2.53
1982	2,135,921	2.09
1981	2,135,921	2.81

‡ Including leased departments and service fees.
# Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1985	1984
Supermarkets	$ 514,225,000	$ 494,950,000
Dairy	45,503,000	40,457,000
Unallocated items	(17,963,000)	(16,509,000)
Total	$ 541,765,000	$ 518,898,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$1.20		—
1984	1.20	—	—
1983	1.20	—	—
1982	1.20	—	—
1981	1.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 54,400,000	$ 26.08
1984	53,571,000	25.49
1983	49,674,000	23.63

1982	47,309,000	22.15
1981	47,038,000	22.02

Income Account *
(000's)

Year ended	2/2/85	1/28/84
Net sales	$ 541,765	$ 518,898
Other income	3,841	3,086
Total Income	$ 545,606	$ 521,984
Cost of sales	442,775	421,723
Expenses	90,333	86,491
Interest expense	3,657	3,091
Prov. for store closings	2,400	
Income before taxes	$ 6,441	$ 10,679
Income taxes	2,589	4,277
Net Income	$ 3,852	$ 6,402

* Included in Costs and Expenses, Depreciation and Amortization: $9,267,000 in 1984 and $8,239,000 in 1983.

Assets
(000's)

As of	2/2/85	1/28/84
Cash	$ 8,939	$ 7,553
Accts. receiv., net	7,780	6,257
*Inventories	25,137	27,397
Prepaid expenses	1,197	1,192
Current Assets	$ 43,053	$ 42,399
Marketable secur. & bonds	172	182
†Oblig. under cap. lease	15,785	15,361
#Fixed assets	62,820	64,145
Defer. charges	2,560	2,159
Total Assets	$ 124,390	$ 124,246

Liabilities
(000's)

Notes payable	$ 333	$ 350
Mortgage notes payable, curr.	2,702	2,257
Current portion of oblig. under cap. leases	1,158	1,122
Accts. payable	16,098	16,466
Accruals	1,560	1,289
Accrued payroll	7,431	5,196
Taxes	1,974	1,785
Curr. Liabilities	$ 31,256	$ 28,465
Oblig. under cap. leases	17,955	17,319
Mortgage notes payable, non-curr.	16,468	21,283
Deferred inc. taxes	3,563	3,016
Other liab.	748	592
+ Common Stock	2,864	2,864
Add. paid-in capital	5,007	5,172
Retained earnings	49,451	48,130
Treasury stock	(2,922)	(2,595)
Total Liabilities & Shareholders' Equity	$ 124,390	$ 124,246

* At lower of cost (FIFO) or market. Supermarket inventories stated at LIFO.
# Less accumulated depreciation.
† Less accumulated amortization.
+ $1.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.19	2.06
%Net Income to Sales	0.71	1.23
%Net Income to Equity	7.08	11.95
Sales to Inventories	21.55	18.94
Working Capital	$11,797,000	$13,934,000
Current Ratio	1.38	1.49
Shareholders' Equity	$54,400,000	$53,571,000

J.C. Penney Company, Inc.

1301 Avenue of the Americas
New York, New York 10019
(212) 957-4321

Officers: William R. Howell, chairman of the board; Robert B. Gill, vice chairman; David F. Miller, president-J.C. Penney stores & catalog; Ralph B. Henderson, Thomas J. Lyons, exec. v.p.'s; sr. v.p.'s: Rodney M. Birkins-director of catalog; Albert W. Driver, Jr.-secretary & general counsel; Richard T. Erickson-director of corporate personnel; Wilburn L. Morris-director of J.C. Penney stores; John A. McConville-director of merchandise; Robert E. Northam-chief financial officer; Terry S. Prindiville-director of corporate marketing; Stanley J. Putman-director of real estate, construction & corporate services; vice presidents: Robert O. Amick-controller; A. Howard Amon, Jr.-director of real estate; Charles L. Brown-director of auditing; James P. Bryant-director of corporate taxes; Robert Capone-director of systems & data processing; Thomas B. Fox-director of European operations; Paul F. Hubbard-treasurer; Joseph J. DeMelio-director of insurance; William R. Johnson-director of public affairs & company communications; Ted L. Spurlock-director of credit; George M. Stone-director of government relations.

Directors: William M. Ellinghaus, William R. Howell, Marshall S. Armstrong, Boris Yavitz, Walter B. Wriston, Walter J. Neppl, Donald V. Seibert, Vernon E. Jordan, Jr., Juanita M. Kreps, Oscar L. Dunn, Edward J. Mortola, Jane C. Pfeiffer, Colby H. Chandler, Robert B. Gill, David B. Meeker, David F. Miller, Joseph D. Williams.

Business Activities: Operates a nationwide chain of department stores including catalog operations under the name J.C. Penney. Full line Penney stores, which average 85,000 square feet of net selling space, sell lines of apparel, home and automotive merchandise; soft line Penney stores, which average 13,000 square feet of net selling space, sell principally apparel and household textile merchandise. Also operates a chain of Thrift Drug stores and conducts consumer financial services. Has expanded its retail operations to Europe, with stores in Belgium, which operate under the name Sarma.

Subsidiaries:

J. C. Penney Properties, Inc.
J. C. Penney Financial Corporation
J. C. Penney Insurance Company
J. C. Penney Life Insurance Company
J. C. Penney Europe, Inc.
Sarma, S.Q. (Belgium)
Great American Reserve Insurance Company (96.8% owned)
J. C. Penney Investors Services, Inc.
JCP Realty, Inc.
J. C. Penney International Finance Corporation
Sarma-Penney Ltd.
J. C. Penney International, Inc.
J. C. Penney Overseas Finance N.V.

Transfer Agent(s):

J.C. Penney Company, Inc.
Securityholder Services
Pittsburgh Accounting Center
P.O. Box 407
Pittsburgh, Pennsylvania 15230

Registrar and Transfer Co.
55 Water Street
New York, New York 10041

Stock Exchange(s): New York, Brussels, Antwerp

Ticker Symbol: JCP

Number of Stores: (at fiscal year end)

	Penney Stores	Catalog Centers	Drug Stores	Belgian Stores
1985	1,570	1,815	369	55
1984	1,597	1,805	359	58
1983	1,631	1,815	353	62
1982	1,662	1,845	343	72
1981	1,682	1,840	361	76

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1984	$ 13,451,000	$ 435,000
1983	12,078,000	467,000
1982	11,414,000	392,000
1981	11,369,000	387,000
1980*	10,824,000	233,000

	No. of Com. Shares	Earn. per Share ‡
1984	74,000,000	$ 5.81
1983	74,000,000	6.25
1982	73,000,000	5.35
1981	72,000,000	5.50
1980*	70,000,000	3.33

* 53 weeks.
‡ Based on the average number of shares outstanding.
+ Of continuing operations only.

Revenues By Line of Business
(000's)

	1984	1983
J.C. Penney Stores	$ 11,913,000	$ 10,625,000
Catalog	1,928,000	1,831,000
Other retail oper.	1,079,000	1,045,000
Intercompany elim.	(1,469,000)	(1,423,000)
Total	$ 13,451,000	$ 12,078,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$2.36		
1983	2.16		
1982	2.00		
1981	1.84		
1980	1.84		

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1984	$ 3,812,000	$ 51.26
1983	3,559,000	47.93
1982	3,228,000	43.94
1981	2,933,000	40.81
1980	2,639,000	37.67

Income Account *
(000's)

Year ended	1/26/85	1/28/84
Net sales	$ 13,451,000	$ 12,078,000
Cost of sales	9,030,000	8,053,000
Expenses	3,374,000	2,973,000
Interest expense	350,000	266,000
Income before taxes	$ 697,000	$ 786,000
Income taxes	290,000	345,000
Inc. of unconsol. subsid.	(28,000)	(26,000)
Net Income	$ 435,000	$ 467,000

* Included in Costs and Expenses, Depreciation and Amortization: $198,000,000 in 1985 and $153,000,000 in 1984.

Assets
(000's)

As of	1/26/85	1/28/84
Cash	$ 43,000	$ 61,000
Accts. receiv., net	1,864,000	1,793,000
*Inventories	2,383,000	1,993,000
Prepaid expenses	134,000	115,000
Current Assets	$ 4,424,000	$ 3,962,000
Investments	980,000	900,000
#Fixed assets	2,608,000	2,358,000
Other assets	158,000	218,000
Total Assets	$ 8,170,000	$ 7,438,000

Liabilities
(000's)

Accts. payable & accruals	$ 1,186,000	$ 1,254,000
Long-term debt, curr.	25,000	—

Income taxes	—	32,000
Defer. credits	628,000	515,000
Curr. Liabilities	$ 1,839,000	$ 1,801,000
Long term debt	2,085,000	1,709,000
Deferred credits	434,000	369,000
+ Common stock	922,000	919,000
Reinvested earnings	2,890,000	2,640,000
Total Liabilities & Shareholders' Equity	$ 8,170,000	$ 7,438,000

* At lower of cost (LIFO) or market

# Less accumulated depreciation

+ $0.50 par value

Statistical Summary

%Income bef. Taxes to Sales	5.18	6.51
%Net Income to Sales	3.23	3.87
%Net Income to Equity	11.41	13.12
Sales to Inventories	5.64	6.06
Working Capital	$2,585,000,000	$2,161,000,000
Current Ratio	2.41	2.20
Shareholders' Equity	$3,812,000,000	$3,559,000,000

Pennington's Stores Limited

40 Samor Road
Toronto, Ontario M6A 1J6
(416) 789-7781

Officers: William Drevnig, president; Albert Sherman, v.p. & secretary; Sol Armel, exec. v.p.; Jack Sherman, v.p.; Emanuel Asher, sr. v.p.; William Farewell, v.p.-finance & treasurer; Gerald McCulloch, v.p.-merchandising, Canada

Directors: Sol Armel, Donald Carr, William Drevnig, Albert Sherman, Jack Sherman, Mark Vansittart

Business Activities: Operates a chain of stores selling women's apparel in Canada and the U.S.

Transfer Agent(s):

The Canada Trust Company
110 Yonge Street
Toronto, Canada M5C 1T4

Stock Exchange(s): Toronto

Ticker Symbol: PNS

Number of Stores: (at fiscal year end)

1984	144	1981	119
1983	128	1980	107
1982	126		

Sales and Earnings

	Net Sales	Net Income
1985	$ 72,289,548	$ 4,720,595
1984	60,291,594	3,913,312
1983	52,151,431	2,897,789
1982	48,438,444	2,960,531
1981	41,721,337	3,217,753

	No. of Com. Shares	Earn. per Share +
1985	4,102,000	$ 1.13
1984	4,075,000	0.91
1983	4,073,000	0.66
1982	4,073,000	0.68
1981	4,063,000	0.74

+ Based on the weighted average number of shares outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.20	—	—
1984	0.20	—	—
1983	0.30	—	—
1982	0.40	—	—
1981	0.40	—	—

Common Stock Equity

	Total Equity	Equity Per share
1985	$ 22,887,988	$ 5.58
1984	21,275,782	5.22
1983	18,394,744	4.52
1982	17,017,777	4.18
1981	13,306,400 +	3.28

+ After allowing for preferred stock at redemption value

Income Account

Year ended	1/26/85	1/28/84
Net sales	$ 72,289,548	$ 60,291,594
Cost of sales & expense	63,270,845	51,874,946
Depreciation	1,391,893	1,306,244
Invest. income	(584,948)	(447,661)
Gain on sale	(433,500)	
Income before taxes	$ 8,645,258	$ 7,558,065
Income taxes	3,924,663	3,644,753
Net Income	$ 4,720,595	$ 3,913,312

Assets

As of	1/26/85	1/28/84
Cash	$ 2,034,737	$ 9,402,244
*Inventories	13,280,488	9,786,520
Prepaid expenses & sundry assets	909,224	633,856
Income taxes	2,722,681	—
Current Assets	$ 18,947,130	$ 19,822,620
#Fixed assets	9,969,549	7,605,708
Intangibles	947,089	947,089
Total Assets	$ 29,863,768	$ 28,375,417

Liabilities

Accts. payable & accruals	$ 6,869,711	$ 6,188,239
Income taxes	—	841,353
Curr. Liabilities	$ 6,869,711	$ 7,029,592
Deferred inc. taxes	106,069	70,043
+ Preferred stock		1,271,053
+ Common stock	187,050	48,425
Retained earnings	22,700,938	19,956,304
Total Liabilities & Shareholders' Equity	$ 29,863,768	$ 28,375,417

* At lower of average cost or market (net realizable value, less normal profit margin.)

# Less accumulated depreciation

+ No par value

Statistical Summary

%Income bef. Taxes to Sales	11.96	12.54
%Net Income to Sales	6.53	6.49
%Net Income to Equity	20.62	18.39
Sales to Inventories	5.44	6.16
Working Capital	$12,077,419	$12,793,028
Current Ratio	2.76	2.82
Shareholders' Equity	$22,887,988	$21,275,782

Peoples Jewellers Limited

1440 Don Mills Road
Don Mills, Ontario, Canada M3B 3M1
(416) 441-1515

Officers: Bertrand Gerstein, chairman of the board; Marvin Gerstein, vice chairman; Irving R. Gerstein, president; John W. Birss, v.p.-information services; Richard A. Field, v.p.-real estate; Phyllis M. McAllister, secretary; Roger P. Picotte, v.p.-operations, Mappins division; Kenneth N. Nevison, v.p.-operations, Peoples division; Charles F. Gill, v.p.-finance; Ivan E. Rogers, v.p.-merchandising, Peoples division; Nicholas I. White, v.p.-merchandising Mappins division

Directors: Bertrand Gerstein, Irving R. Gerstein, Marvin Gerstein, Robert A. Kingston, Sydney M. Hermant, Phyllis McAllister, Henry N. R. Jackman, James Gillies

Business Activities: Operates a chain of jewelry stores in Canada. Stores operate under the names: Peoples Jewellers, Mappin's, Gordon Jewellers and McKenzie's in Canada

Transfer Agent(s):

Guaranty Trust Company of Canada
88 University Avenue
Toronto, Ontario, Canada

Stock Exchange(s): Toronto

Ticker Symbol:
PCJT (Toronto)
PCJQ (Toronto, Class A)

Number of Stores: (at fiscal year end)

1984	309	1982	N.A.
1983	299	1981	323

N.A. - Not Available

Sales and Earnings †

	Net Sales	Net Income
1984	$ 175,130,000	$ 9,412,000
1983	145,014,000	(144,000)
1982	127,220,000	(6,196,000)
1981	122,934,000	4,269,000
1980	106,735,000	8,762,000

	No. of Com. Shares	Earn. per Share ‡
1984	6,730,501	$ 1.35
1983	6,730,101	—
1982	4,130,101	—
1981	4,244,210	1.16
1980	3,304,441	2.60

(Loss)

† In Canadian dollars

‡ Based on the weighted average number of Class A and common shares outstanding combined

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1984	$0.15	—	—
1983	0.15	—	
1982	0.60	—	
1981	0.60	—	—
1980	0.60	—	

† In Canadian dollars

Common Stock Equity †

	Total Equity‡	Equity Per Share +
1984	$ 90,133,000	$ 13.39
1983	76,574,000	11.38
1982	51,304,000	12.42
1981	61,663,000	14.53
1980	42,295,000	12.80

† In Canadian dollars

‡ After allowing for preferred stock at redemption value

+ Based on the weighted average number of Class A and common shares outstanding combined

Income Account †

Year ended Aug. 31	1984	1983
Net sales	$ 175,130	$ 145,014
Cost of sales & exp.	159,503	132,610

Peoples Jewellers Limited

Depreciation & amortization	4,068	3,895
Interest expense	4,388	4,514
Unusual items	(2,832)	—
Income before taxes	$ 10,003	$ 3,995
Income taxes	2,300	1,000
Eq. in earn. of Zale Corp.	(1,709)	3,139
Net Income (Loss)	$ 9,412	$ (144)

† In Canadian dollars

Assets †

As of Aug. 31	1984	1983
Cash	$ 84	$ 83
Accts. receiv., net	2,663	2,089
*Inventories	94,213	90,229
Prepaid expenses	1,766	634
Long-term receiv., curr.	2,595	—
Current Assets	$ 101,321	$ 93,035
Investments	82,577	72,626
Loan to employees	13,958	15,542
#Fixed assets	29,365	21,117
Total Assets	$ 227,221	$ 202,320

Liabilities
(000's)

Bank indebtedness	$ 41,038	$ 32,480
Accts. payable	14,829	15,346
Income & other taxes	2,736	4,201
Long-term debt, curr.	78	—
Curr. Liabilities	$ 58,681	$ 52,027
Long-term debt Series A	76,120	71,500
+ Preferred stock, Series B	2,287	2,219
+ Class A common stock	50,585	50,581
+ Common stock	82	82
Retained earnings	34,275	25,911
Currency trans. adj.	5,191	—
Total Liabilities & Shareholders' Equity	$ 227,221	$ 202,320

† In Canadian dollars.
* At lower of cost (retail inventory method) or net realizable value
# Less accumulated depreciation
+ No par value; Class A stock is convertible

Statistical Summary

%Income bef. Taxes to Sales	5.71	—
%Net Income to Sales	5.37	—
%Net Income to Equity	10.18	—
Sales to Inventories	1.86	1.61
Working Capital	$42,640,000	$41,008,000
Current Ratio	1.73	1.79
Shareholders' Equity	$92,420,000	$78,793,000

The Pep Boys—Manny, Moe & Jack

3111 Allegheny Avenue
Philadelphia, Pennsylvania 19132
(215) 229-9000

Officers: Benjamin Strauss, chairman, chief executive officer & president; Mitchell G. Leibovitz, exec. v.p., chief operating officer-Eastern division & secretary; Scott I. Rosen, exec. v.p. & chief operating officer-Western division; Charles J. Chase, exec. v.p.; Michael J. Holden, v.p.-finance & treasurer; Philip Adcock, v.p.- store operations; Thomas J. Bonburg, asst. v.p.-administration; Marc G. Kamens, asst. v.p.-mgmt. info. systems; Samuel W. McGarvey, asst. v.p.-merchandising; Donald Grant, asst. v.p.-merchandising; Michael J. Bryce, Harry M. Roy, asst. v.p.'s-store operations; Laverne G. Hennessey, asst. v.p.-warehousing and distribution; Donald K. Denbo, asst. v.p.; Bernard K. McElroy, Frederick A. Stampone, asst. treasurers; Stuart M. Rosenfeld, asst. secretary.

Directors: Edward H. Rosen, Lester Rosenfeld, Robert P. Strauss, Benjamin Strauss, Walter G. Arader, Henry A. Gladstone, Bernard J. Korman, Herbert W. Leonard, Mitchell G. Leibovitz, David V. Wachs.

Business Activities: Operates auto supply and accessory stores in Pennsylvania, New Jersey, Delaware, Maryland, Virginia, California, the District of Columbia and Arizona.

Transfer Agent(s):

The Philadelphia National Bank
Philadelphia, Pennsylvania

Stock Exchange(s): American

Ticker Symbol: PBY

Number of Stores: (at fiscal year end)

1985	135	1982	104
1984	124	1981	105
1983	111		

Sales and Earnings

	Net Sales	Net Income
1985	$ 348,350,000	$ 18,340,000
1984	305,835,000	15,542,000
1983	265,408,000	12,112,000
1982	233,454,000	11,159,000
1981	199,823,000	7,722,000

	No. of Com. Shares	Earn. per Share +
1985	7,833,084	$ 2.33
1984	7,824,984	2.00
1983	7,466,484	1.62
1982	1,244,414	1.49
1981	1,174,346	1.03

+ Adjusted to reflect stock dividends and stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.34	—	—
1984	0.29	—	—
1983	0.25	—	2-for-1& 3-for-1
1982	0.19	6%	—
1981	0.17	6%	—

+ Adjusted to reflect stock dividends and stock splits.

Common Stock Equity

	Total Equity	Equity Per Share +
1985	$ 111,977,000	$ 14.30
1984	96,226,000	12.30
1983	74,608,000	9.99
1982	64,363,000	8.62
1981	54,658,000	7.32

+ Adjusted to reflect stock dividends and stock splits.

Income Account

Year ended Jan. 31	1985	1984
Net sales	$ 348,350,000	$ 305,835,000
Other income	3,353,000	2,287,000
Total Income	$ 351,703,000	$ 308,122,000
Cost of sales	226,251,000	197,553,000
Expenses	82,554,000	75,491,000
Depreciation & amortization	6,454,000	5,214,000
Interest expense	1,597,000	996,000
Income before taxes	$ 34,847,000	$ 28,868,000
Income taxes	16,507,000	13,326,000
Net Income	$ 18,340,000	$ 15,542,000

Assets

As of Jan. 31	1985	1984
Cash	$ 1,097,000	$ 13,308,000
Accts. receiv., net	3,517,000	2,023,000
*Inventories	52,495,000	40,798,000
Prepaid expenses & other	9,030,000	1,307,000
Current Assets	$ 66,139,000	$ 57,436,000
Investments & advances	531,000	334,000
#Fixed assets	125,109,000	95,710,000
Cash restricted for purchase of fixed assets	823,000	1,884,000
Total Assets	$ 192,602,000	$ 155,364,000

Liabilities

Long-term debt, curr.	$ 1,373,000	$ 1,168,000
Accts payable	30,587,000	26,323,000
Accruals	10,827,000	9,670,000
Inc. taxes payable	627,000	2,043,000
Def. income taxes	5,483,000	1,208,000
Curr. Liabilities	$ 48,897,000	$ 40,412,000
Long-term debt	26,423,000	15,457,000
Defer. inc. taxes	5,305,000	3,269,000
+ Common stock	7,833,000	7,825,000
Add. paid-in capital	19,927,000	19,824,000
Retained earnings	84,217,000	68,577,000
Total Liabilities & Shareholders' Equity	$ 192,602,000	$ 155,364,000

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.00	9.44
%Net Income to Sales	5.26	5.08
%Net Income to Equity	16.38	16.15
Sales to Inventories	6.64	7.50
Working Capital	$ 17,242,000	$17,024,000
Current Ratio	1.35	1.42
Shareholders' Equity	$111,977,000	$96,226,000

Perry Drug Stores, Inc.

5400 Perry Drive, Inc.
P.O. Box 1957
Pontiac, Michigan 48056
(313) 334-1300

Officers: Jack A. Robinson, chairman of the board & chief executive officer; Donald Fox, president & chief operating officer; Allan Klein, sr. v.p.-marketing; Mickey Kole, sr. v.p.-store operations; Alvin Wander, exec. v.p. & treasurer; Frederick C. Seeley, sr. v.p.-real estate; Robert A. Shapiro, v.p.-health care services; Robert W. Ruwoldt, v.p.-advertising; Robert A. Berlow, v.p., secretary & gen. counsel; Group v.p.'s: Seymour S. Dekoven, Illinois-Wisconsin drugstores; Michael F. Wiley, auto works; Sukhdev S. Sidhu, Bioanalytical Procedures, Inc.; John P. Frazzini, v.p.-management information services; Kenton R. Allard, asst. v.p.-management development; James W. Bock, asst. v.p.-district mgr.; David L. Peterson, v.p.-merchandising; Berl Falbaum, asst. v.p.-corporate communications; Warren E. Jeffery, asst. v.p.-district manager; Samuel N. Ray, asst. v.p.-human resources; Robert K. Sarvas, asst. v.p.-district mgr.; Robert J. Taylor, asst. v.p. & dist. mgr.; Samuel R. Boulton, asst. v.p.-store operations; Christopher Dodge, asst. v.p.-personnel; David Durkin, asst. v.p.-district mgr.; James H. Fowler, asst. v.p.-real estate; Lloyd Reuther, asst. v.p.-district mgr.; Andrew Giancamilli, asst. v.p. & district mgr.; Dennis W. Schack, asst. treasurer; H. Edward Heckman, asst. v.p.-store operations; Eric L. Hoagland, asst. v.p. & district manager; William M. Locey, asst. v.p.-distribution; Dabid Materne, asst. v.p. and controller.

Directors: Jack A. Robinson, chairman, Donald Fox, Alvin Wander, Terence E. Adderley, Thomas O. Fox, C. Boyd Stockmeyer, Samuel Frankel, John A. Bacon, Jr., Frederick C. Seeley, Dr. Claude R. Martin, Jr., Walter J. McCarthy, Jr.

Business Activities: Operates a chain of retail drug stores, auto parts stores, and health care testing services; and supplies equipment and surgical products to hospitals and physicians.

Transfer Agent(s):

National Bank of Detroit
Detroit, Michigan

Stock Exchange(s): American

Ticker Symbol: PDS

Number of Stores: (at fiscal year end)

1984	256	1981	117
1983	183	1980	96
1982	125		

Sales and Earnings

	Net Sales	Net Income
1984	$ 371,890,521	$ 7,649,998
1983	285,502,457	4,545,220
1982	244,272,174	2,868,120
1981	192,066,153	3,368,773
1980	136,426,694	2,362,640

	No. of Com. Shares †	Earn. per Share †
1984	5,647,073	$ 1.35
1983	4,477,795	1.02
1982	3,908,830	0.73
1981	3,870,667	0.87
1980	3,521,644	0.67

† Based on the weighted average number of common shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1984	$0.24		
1983	0.19		3-for-2
1982	0.19		
1981	0.15		3-for-2
1980	0.12		

† Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 67,202,099	$ 11.90
1983	53,707,437	9.76
1982	25,611,065	6.49
1981	23,328,355	5.99
1980	20,381,633	5.28

† Adjusted to reflect stock splits.

Income Account *

Year ended Oct. 31	1984	1983
Drugstore	$ 289,584,166	$ 245,418,621
Automotive	80,700,907	40,083,836
Other	1,605,448	
Total Income	$ 371,890,521	$ 285,502,457
Cost of sales	256,293,344	200,155,781
Expenses	101,255,916	74,908,244
Interest expense	2,078,263	2,802,212
Income before taxes	$ 12,262,998	$ 7,636,220
Income taxes	4,613,000	3,091,000
Net Income	$ 7,649,998	$ 4,545,200

* Included in Costs and Expenses, Depreciation and Amortization: $3,669,313 in 1984 and $2,453,458 in 1983.

Assets

As of Oct. 31	1984	1983
Cash	$ 5,119,575	$ 9,262,394
Accts. receiv., net	8,544,087	3,964,533
*Inventories	87,504,201	58,794,873
Prepaid expenses	4,132,899	2,890,451
Current Assets	$ 105,300,762	$ 74,912,251
#Fixed assets	40,009,040	25,725,980
Intangibles & other assets	12,946,850	4,419,394
Total Assets	$ 158,256,652	$ 105,057,625

Liabilities

Notes payable	$ 14,400,000	$
Long-term debt, curr.	1,557,101	587,262
Accts. payable	50,735,982	28,457,845
Accruals	3,316,581	3,040,639
Income taxes	2,041,511	1,355,960
Curr. Liabilities	$ 72,051,175	$ 33,441,706
Long-term debt	10,128,932	10,065,912
Oblig. under cap. leases	5,066,446	5,215,570
Deferred inc. taxes	3,808,000	2,627,000
+ Common stock	316,978	275,231
Add. paid-in capital	39,849,449	32,711,524
Retained earnings	27,035,672	20,720,682
Total Liabilities & Shareholders' Equity	$ 158,256,652	$ 105,057,625

*At lower of cost or market. LIFO used principally to determine costs; remainder at FIFO.
Less accumulated depreciation.
+ $0.05 par value.

Statistical Summary

% Income bef. Taxes to Sales	4.23	2.67
% Net Income to Sales	2.64	1.59
% Net Income to Equity	11.38	8.46
Sales to Inventories	3.31	4.86
Working Capital	$33,249,587	$41,470,545
Current Ratio	1.46	2.24
Shareholders' Equity	$67,202,099	$53,707,437

Petrie Stores Corporation

70 Enterprise Avenue
Secaucus, New Jersey 07094
(201) 866-3600

Officers: Milton J. Petrie, chairman of the board, president & chief exec. officer; Hilda Kirschbaum Gerstein, vice chairman; Dorothy Fink Stern, sr. v.p.-merchandising; Jean Roberts, sr. v.p.-store operations; Jay Galin, sr. v.p. & pres.-G & G Shops, Inc.; Peter A. Left, sr. v.p., secretary & controller; Nancy Barrett, Edward Citro, Beverly Evans, Jack Gibbons, S. Betty Kennedy, Daniel Maresca, Samuel David Polese, Dorothy Spencer, Umberto Gallo, Robert Lind, Murray Robins, Robert Sandberg, Benard Apple, Edward Milford, Thomas Reynolds, Bernard Rubenstein, sr. vice presidents; Barbara Clickenger, Mary Ellen Colbert, Ellen Delosh, Robert Donahue, Oscar Israel, Edward Milford, Robert Olszewski, Ruth Parzen, Phyllis Sichts, Patricia Tyner, Judith Herman, Joseh Mariano, Barbara Tinkl, Michelle Alexander, Lydia Bay, Pamela Beech, Lyle Calcase, Debra Citro, Maureen Crowley, Michael J. Jackson, Toni Schostak Kaye, Alan Laufgraben, Ronald P. Leonetti, John Muettelman, Brigette Reis, Joseph Savini, Kathy Connolly Shea, Lester Sokolower, Ronald Swerdlow, Melissa Whitehead, Karen Williams, vice presidents.

Directors: Milton J. Petrie, chairman; Peter B. Roll, Hilda Kirschbaum Gerstein, Jean Roberts, Dorothy Fink Stern, H. Fred Krimendahl, II, Jay Galin, Joseph H. Flom, Lawrence A. Tisch.

Business Activities: Operates clothing stores in 45 states specializing in moderate price apparel for teens, junior and contemporary miss customers. Stores are also located in the Virgin Islands, Puerto Rico, and the District of Columbia. Stores operate under the names Petrie's, Marianne, Stuarts, David's, G & G, Franklin's, Hartfield's, Whitney and Winkleman's.

Acquisition(s):

Hartfield Division of Hartfield-Zody's, Inc.
Ranch Stores, Inc.
Miller-Wohl Company Inc.
Winkleman Stores Inc.

Transfer Agent(s):

Irving Trust Company
New York, New York

Stock Exchange(s): New York

Ticker Symbol: PST

Number of Stores: (at fiscal year end)

1985	1,362	1982	795
1984	966	1981	690
1983	871		

Sales and Earnings

	Net Sales	Net Income †
1985	$ 951,105,659	$ 54,643,004
1984	625,575,724	47,597,859
1983	566,682,198	45,442,062
1982	529,800,459	47,115,775
1981	479,497,136	46,593,061

	No. of Com. Shares #	Earn. per Share # †
1985	21,090,417	$ 2.59
1984	20,810,965	2.29
1983	20,340,417	2.23
1982	20,340,417	2.32
1981	20,374,801	2.29

† Including extraordinary gain of $2,700,000 ($0.31 per share) in 1983.
# Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1985	$1.40		
1984	1.40		
1983	1.40		
1982	1.40		3-for-2
1981	1.20		

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1985	$ 322,673,407	$ 15.30
1984	297,556,987	14.30
1983	251,585,712	12.37
1982	234,620,234	11.53
1981	215,981,872	10.60

† Adjusted to reflect stock split.

Income Account *

Year ended Jan. 31	1985	1984
Net sales	$ 951,105,659	$ 625,575,724
Other income	4,089,071	4,877,396
Total Income	$ 955,194,730	$ 630,453,120
Cost of sales	691,161,207	452,464,516
Expenses	175,826,953	119,178,276
Interest expense	23,433,468	1,127,008
Equity earnings	(25,820,800)	(19,808,119)
Income before taxes	$ 90,593,902	$ 77,491,439
Income taxes	35,034,000	29,526,000
Minority interest	916,898	367,580
Net Income	$ 54,643,004	$ 47,597,859

* Included in Costs and Expenses, Depreciation and Amortization: $23,780,856 in 1985 and $11,675,101 in 1984.

Assets

As of Jan. 31	1985	1984
Cash	$ 1,988,127	$ 1,426,955
Marketable securities	6,393,138	60,075,839

Accts. reciev., net	23,076,834	20,312,201
*Inventories	127,820,310	87,092,542
Prepaid expenses & other assets	1,364,086	1,707,550
Current Assets	$ 160,642,495	$ 170,615,087
#Fixed assets	226,226,271	95,346,118
Net assets acquired	116,062,477	
Other assets	240,909,288	183,917,962
Total Assets	$ 743,880,531	$ 449,879,167

Liabilities

Notes payable & cap. lease oblig., curr.	$ 638,470	$ 614,765
Payable to brokers		19,969,089
Accts. payable	25,791,681	21,469,276
Accruals	29,696,145	19,241,487
Income taxes	7,836,318	2,756,033
Deferred inc. taxes	4,826,000	5,154,000
Curr. Liabilities	$ 68,788,614	$ 69,204,650
Notes payable	16,359,392	54,000,000
Oblig. under cap. lease	979,949	1,118,419
Deferred inc. taxes	26,192,000	14,038,000
Other liabilities		1,364,172
Subord. exch. deben.	200,000,000	
Minority interest	8,887,169	12,596,939
+ Common stock	21,000,417	21,000,417
Add. paid-in capital	12,661,375	12,661,375
Retained earnings	288,921,615	263,805,195
Total Liabilities & Shareholders' Equity	$ 743,880,531	$ 449,879,167

* At lower of cost or market

# Less accumulated depreciation and amortization

+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	9.53	12.39
%Net Income to Sales	5.75	7.61
%Net Income to Equity	16.93	16.00
Sales to Inventories	7.44	7.18
Working Capital	$ 91,853,881	$101,410,437
Current Ratio	2.34	2.47
Shareholders' Equity	$322,673,407	$297,556,987

Phillips-Van Heusen Corporation

1290 Avenue of the Americas
New York, New York 10104
(212) 541-5200

Officers: Seymour J. Phillips, chairman of the board; Lawrence S. Phillips, president; Robert F. Reilly, exec. v.p.; Albert R. Bongiovi, v.p., controller & secretary; Bert G. Cox, Walter C. Zambrovitz, Michael Frenkel, Charles J. Smith, Murray Weinberg, v.p.'s; William J. Bloom, treasurer

Directors: Seymour J. Phillips*, chairman; Shirley Goodman Brown, Bert G. Cox, David L. Holzman, Lawrence S. Phillips*, Robert F. Reilly*, William S. Scolnick, Charles J. Smith, Steven L. Osterweis, Alfred P. Slaner, Estelle Ellis, Ellis E. Meredith

* Member of the Executive Committee

Areas of Work: Operates retail stores selling apparel and men's and tailored women's apparel, manufacturing companies.

Divisions and Subsidiaries:

Retail Division

Kennedy's
7 stores in Massachusetts and Rhode Island

Hamburger's
12 stores in Maryland, Pennsylvania and Delaware

Juster's
6 stores in Minnesota

Titus MacDuff
8 stores in Minnesota, Colorado, Georgia and Kansas

Harris & Frank
19 stores in California and Nevada

The Outlet Stores
55 Stores on the East Coast and Mid-west

Manufacturing Divisions

PVH Somerset Company
The Van Heusen Company
Somerset Knitting Mills, Inc.
The Joseph & Feiss Company
Men's Wear International, Inc.
Private Label Sportswear Group

Transfer Agent(s):

Chase Manhattan Bank, N.A.
1 New York Plaza
New York, New York 10081

Stock Exchange(s): New York

Ticker Symbol: PVH

Number of Stores: (at fiscal year end)

1984	99	1981	71
1983	59	1980	75
1982	65		

Sales and Earnings

	Net Sales †	Net Income
1985	$ 590,787,183	$ 15,297,966
1984	505,885,420	17,262,224
1983	454,975,342	8,757,340
1982	431,134,876	7,376,886
1981	419,357,278	5,317,702

	No. of Com. Shares‡	Earn. per Share +
1985	6,092,475	$ 2.44
1984	6,056,870	2.94
1983	5,651,876	1.54
1982	5,581,678	1.27
1981	5,953,126	0.89

† Includes operating revenues

‡ Adjusted to reflect stock split

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split

Revenues By Line of Business
(000's)

	1985	1984
Manufacturing	$ 457,248	$ 387,301
Retail	133,539	118,584
Total	$ 590,787	$ 505,885

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.40		
1984	0.325		2 for 1
1983	0.30		
1982	0.30		
1981	0.30		

+ Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share +
1985	$ 137,567,000	$ 22.58
1984	124,465,000	20.55
1983	103,473,000	18.31
1982	95,903,000	17.18
1981	93,213,000	15.66

+ Adjusted to reflect stock split

Income Account *

Year ended Jan. 31	1985	1984
Net sales & rev.	$ 590,787,183	$ 505,885,420
Cost of sales	425,930,436	354,245,342
Expenses	129,099,827	115,702,631
Other (income)	(1,323,236)	(1,052,120)
Interest expense	10,593,190	5,776,343
Income before taxes	$ 26,486,966	$ 31,213,224
Income taxes	11,189,000	13,951,000
Net Income	$ 15,297,966	$ 17,262,224

* Included in Costs and Expenses: Depreciation and Amortization: $4,922,571 in 1985 and $4,577,866 in 1984.

Assets

As of Jan. 31	1985	1984
Cash	$ 11,693,750	$ 16,917,220
Receivs., net	85,328,459	60,551,133
*Inventories	132,717,082	108,989,262
Other current assets	1,885,284	1,601,832
Current Assets	$ 231,624,575	$ 188,059,447
#Fixed assets	32,730,542	30,414,236
Leased prop. under cap. lease oblig.	6,956,439	9,897,184
Intangibles	3,307,808	3,883,211
Other assets	3,468,074	3,588,915
Total Assets	$ 278,087,438	$ 235,842,993

Liabilities

Note payable	$ 12,000,000	$
Long-term debt, curr.	861,282	2,587,863
Cap. lease oblig. curr.	505,419	793,560
Accts. payable	30,541,548	35,651,737
Accruals	30,516,659	29,597,559
Income taxes	7,969,986	10,766,880
Curr. Liabilities	$ 82,394,894	$ 79,397,599
Long term debt	45,262,594	16,781,020
Cap. lease oblig.	6,211,709	10,017,213
Other liabilities	6,651,523	8,181,943
+ Common stock	6,092,475	6,056,870
Add. paid-in capital	35,585,200	35,387,611
Retained earnings	95,889,043	83,020,737
Total Liabilities & Shareholders' Equity	$ 278,087,438	$ 235,842,993

* At lower of cost or market

# Less accumulated depreciation and amortization

+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	4.48	6.17
%Net Income to Sales	2.58	3.41
%Net Income to Equity	11.12	13.87
Working Capital	$149,229,681	$108,661,848
Curent Ratio	2.81	2.37
Shareholders' Equity	$137,566,718	$124,465,218

Pic 'n' Save Corporation

2430 E. Del Amo Boulevard
Carson, California 90749
(213) 537-9220

Mailing Address
P.O. Box 58667
Los Angeles, California 90058
(213) 537-9220

Officers: Lewis B. Merrifield, III, chairman of the board; Arthur Frankel, president & chief executive officer; Bill M. Thomas, executive v.p. & chief financial officer; Arthur Bone, executive v.p. & chief operating officer; Kenneth Johnson, v.p.-store operations; Richard A. Frankel, Martin S. Tepper, v.p.'s & merchandise managers; Sheldon S. McClusky, v.p.-warehousing & distribution; Raymond L. Kugel, asst. treasurer

Directors: Lewis B. Merrifield, III, chairman, Arthur Frankel, John T. Gurash, Rockwell A. Schnabel

Business Activities: Operates a chain of self-service, cash-and-carry retail stores specializing in the discount sale of new "close-out" merchandise. Stores are located in California, Arizona, Nevada, New Mexico, Texas, Colorado and Utah.

Transfer Agent(s):

First Interstate Bank of California
707 Wilshire Blvd
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PICN (NASDAQ)

Number of Stores: (at fiscal year end)

1984	90	1981	75
1983	85	1980	71
1982	80		

Sales and Earnings

	Net Sales	Net Income
1984	$ 235,147,000	$ 36,510,000
1983	227,130,000	36,451,000
1982	177,738,000	27,009,000
1981	133,079,000	18,512,000
1980	113,550,000	14,761,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	29,154,000	$ 1.23
1983	31,081,000	1.17
1982	30,885,000	0.87
1981	30,682,000	0.60
1980	30,072,000	0.49

‡ Based on the average number of common shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	2-for-1
1982	—	—	—
1981	—	—	3-for-1
1980	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 70,878,000	$ 2.43
1983	136,346,000	4.39
1982	98,548,000	3.19
1981	71,536,000	2.33
1980	52,480,000	1.75

‡ Based on the average number of common shares outstanding adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 235,147	$ 227,130
Cost of sales	108,954	102,486
Expenses	53,912	50,945
Income before taxes	$ 72,281	$ 73,699
Income taxes	35,771	37,248
Net Income	$ 36,510	$ 36,451

* Included in Costs and Expenses, Depreciation and Amortization: $2,154,000 in 1984 and $1,588,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 22,313	$ 88,446
*Inventories	40,102	35,133
Other current assets	2,200	3,855
Current Assets	$ 64,615	$ 127,434
#Fixed assets	51,065	40,083
Other assets	549	75
Total Assets	$ 116,229	$ 167,592

Liabilities
(000's)

Loans payable	$	$ 2,000
Accts. payable	7,361	7,343
Accruals	10,053	9,652
Income taxes	5,356	10,275
Curr. Liabilities	$ 22,770	$ 29,270
Long-term debt	21,643	1,745
Deferred inc. taxes	938	231
+ Common stock	1,096	1,303
Add. paid-in capital	5,418	4,602
Retained earnings	64,364	133,124
Receiv. under exec. stock prods. plan		(2,683)
Total Liabilities & Shareholders' Equity	$ 116,229	$ 167,592

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.08⅓ par value.

Statistical Summary

% Income bef. Taxes to Sales	30.73	32.45
% Net Income to Sales	15.37	16.05
% Net Income to Equity	51.51	26.73
Sales to Inventories	5.86	6.46
Working Capital	$41,845,000	$98,164,000
Current Ratio	2.83	4.35
Shareholders' Equity	$70,878,000	$136,346,000

Pier 1 Inc.

2520 West Freeway
Fort Worth, Texas 76102
(817) 335-7031

Officers: L. A. Henderson, chairman, Robert E. Camp, president & chief executive officer, D.O. Martin, v.p., treasurer & secretary, Barbara Cox, asst. treasurer & asst. secretary

Directors: L. A. Henderson, chairman, Charles R. Tindall, Robert E. Camp, Clark A. Johnson, Lawrence P. Klamon, Charles R. Scott, Thomas N. Warner, N. Russell Walden

Business Activities: Owns and operates a nationwide chain of retail stores which sell imported and domestic gift items, home decorating accessories and furniture, outdoor and personal accessories. Other retail activities include Sunbelt Nurseries, Inc., which operates 99 retail stores in Texas and Oklahoma which sell plants, planters garden supplies and shrubs. Also has 57 franchised Pier 1 Associate stores and CMEI, Inc.-a real estate investment trust fund.

Subsidiaries:

Sunbelt Nurseries, Inc.
Fort Worth, Texas

CMEI, Inc.

Transfer Agent(s):

Texas American Bank/Fort Worth
Corporate Trust Department
P.O. Box 2604
Fort Worth, Texas 76113

Stock Exchange(s): New York

Ticker Symbol: PIR

Number of Stores: (at fiscal year end)

1984	251	1981	307
1983	285	1980	395
1982	295		

Sales and Earnings ‡

	Net Sales	Net Income †
1984	$ 258,492,000	$ 27,693,000
1983	218,570,000	12,586,000
1982	194,500,000	9,946,000
1981	185,348,000	8,294,000
1980	130,007,000	5,738,000

	No. of Com. Shares #	Earn. per Share † #
1984	7,265,000	$ 3.81
1983	7,047,000	0.82
1982	6,571,000	0.76
1981	5,998,000	0.75
1980	5,501,000	1.62

‡ Restated to include operations of Nurseryland Garden Centers, Inc., which merged with a subsidiary of the Company and is being accounted for on a pooling of interests basis.
† Including extraordinary gains of $12,672,000 ($1.74 per share) in 1984, $5,766,000 ($0.82 per share) in 1983, $4,984,000 ($0.76 per share) in 1982, $4,504,000 ($0.75 per share) in 1981 and $8,930,000 ($1.62 per share) in 1980.
# Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1984	1983
Import stores & other	$ 160,628,000	$ 140,220,000
Nursery operations	97,864,000	78,350,000
Total	$ 258,492,000	$ 218,570,000

Common Stock Equity ‡

	Total Equity	Equity Per Share #
1984	$ 83,722,000	$ 11.52
1983	55,532,000	7.88
1982	39,214,000	5.97
1981	30,113,000	5.02

‡ Restated.
# Based on the weighted average number of shares outstanding.

Income Account

Year ended Aug. 31	1984	1983 ‡
Net sales	$ 258,492,000	$ 218,570,000
Cost of sales	130,321,000	111,388,000
Expenses	101,540,000	86,811,000
Depreciation & amortization	4,608,000	4,322,000
Interest expense	2,884,000	3,329,000
Income before taxes	$ 19,139,000	$ 12,720,000
Income taxes	9,362,000	6,320,000
Equity in income of CMEI, Inc.	(5,244,000)	(420,000)
Net Income	$ 15,021,000	$ 6,820,000
Extraord. gain	12,672,000	5,766,000
Net Income & Extraord. Gain	$ 27,693,000	$ 12,586,000

‡ Restated.

Assets

As of Aug. 31	1984	1983 ‡
Cash	$ 11,284,000	$ 12,547,000
Accts. receiv., net	1,151,000	1,098,000
*Inventories	57,582,000	44,599,000
Other curr. assets	4,629,000	2,308,000
Current Assets	$ 74,646,000	$ 60,552,000
#Fixed Assets	28,128,000	24,621,000
Invest. in CMEI	26,728,000	16,445,000
Intangibles	10,037,000	4,199,000
Other assets	1,745,000	1,351,000
Total Assets	$ 141,284,000	$ 107,168,000

Liabilities

Long-term debt, curr.	$ 1,265,000	$ 965,000
Accts. payable	13,215,000	8,806,000
Accruals	13,522,000	11,241,000
Curr. Liabilities	$ 28,002,000	$ 21,012,000
Long-term debt:		
Notes payable	714,000	1,076,000
10% subord. deben.	24,700,000	24,486,000
Cap. lease oblig.	4,146,000	5,062,000
+ Common stock	6,892,000	6,761,000
Add. paid-in capital	94,870,000	94,323,000
Deficit	(17,754,000)	(45,447,000)
Cum. trans. adjust.	(286,000)	(105,000)
Total Liabilities & Shareholders' Equity	$ 141,284,000	$ 107,168,000

‡ Restated.
* At lower of cost (FIFO & average) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.54	5.82
%Net Income to Sales	5.81	3.12
%Net Income to Equity	17.94	12.28
Sales to Inventories	4.49	4.90
Working Capital	$46,644,000	$39,540,000
Current Ratio	2.67	2.88
Shareholders' Equity	$83,722,000	$55,532,000

The Present Co., Inc.

82 St. Paul Street
Rochester, New York 14604
(716) 546-4190

Officers: Gordon S. Present, chairman; James R. Present, president; Robert E. Meagher, sr. vice president & asst. secretary; Beryl M. Present, sr. v.p. & secretary; Norman Kramer, v.p. & treasurer.

Directors: Gordon S. Present, Robert E. Meagher, Beryl M. Present, James R. Present, Cortland L. Brovitz, Stanley J. Fenvessy, Charles T. Zelter.

Business Activities: Operates catalog showrooms in New York State.

Transfer Agent(s):

Transfer and Registrar Co.
10 Commerce Drive
Cranbury, New Jersey 07016

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PRST (NASDAQ)

Number of Stores: (at fiscal year end)

1983	11	1980	9
1982	N.A.	1979	9
1981	10		

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 30,076,037	$ 381,229
1983*	22,570,442	266,234
1982	N.A.	N.A.
1981	17,323,391	38,319
1980	19,318,917	12,314

	No. of Com. Shares	Earn. per Share †
1984	64,406	$ 5.92
1983*	64,406	3.88
1982	N.A.	N.A.
1981	96,411	0.40
1980	96,411	0.13

N.A.-Not Avalable.
* 10 months.
† Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	1-for-5
1980	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 3,314,801	$ 51.47
1983	2,933,572	45.55
1982	N.A.	N.A.
1981	2,683,794	27.84
1980	2,645,475	27.44

N.A.-Not Available.
† Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Income Account *

Year ended	1/28/84	1/29/83 (10 months)
Net sales	$ 30,076,037	$ 22,570,442
Cost of sales	22,195,881	16,518,303
Expenses	7,024,527	5,501,932
Interest expense	112,400	142,973
Income before taxes	$ 743,229	$ 407,234
Income taxes	362,000	141,000
Net Income	$ 381,229	$ 266,234

* Included in Costs and Expenses, Depreciation and Amortization $217,360 in 1984 and $154,108 in 1983.

Assets

As of	1/28/84	1/29/83
Cash	$ 181,042	$ 206,919
Accts. receiv., net	741,009	705,125
Due from affil.	604,633	—
*Inventories	9,044,215	5,945,721
Prepaid expenses	321,070	199,838
Current Assets	$ 10,891,969	$ 7,057,603
#Fixed assets	1,223,727	1,437,828
Total Assets	$ 12,115,696	$ 8,459,431

Liabilities

Bank overdraft	$ 980,166	$ —
Notes payable	261,590	600,000
Accts. payable	5,074,417	3,258,164
Accruals	1,396,997	1,055,192
Income taxes	322,930	36,809
Customer deposits	263,123	28,500
Cap. lease oblig., curr.	76,513	79,345
Curr. Liabilities	$ 8,375,736	$ 5,058,010
Deferred inc. taxes	198,186	175,186
Cap. lease oblig.	2,938	104,628
Notes payable	224,035	224,035
+ Common stock	9,678	9,678
Add. paid-in capital	1,221,607	1,221,607
Retained earnings	2,309,876	1,928,647
Treasury stock	(226,360)	(226,360)
Total Liabilities & Shareholders' Equity	$ 12,115,696	$ 8,495,431

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

% Income bef. Taxes to Sales	2.47	1.80
%Net Income to Sales	1.27	1.18
%Net Income to Equity	11.50	9.08
Sales to Inventories	3.33	3.80
Working capital	$2,516,233	$1,999,593
Current Ratio	1.30	1.40
Shareholders' Equity	$3,314,801	$2,933,572

Pueblo International, Inc.

Loiza Expressway
Corner of Campo Rico Avenue
Carolina, Puerto Rico 00630

375 Park Avenue
New York, New York 10152
(212) 935-1710

Officers: Harold Toppel, chairman of the board; David W. Morrow, president and chief operating officer; Manuel I. Vallecillo, vice chairman; Revenol Duryea, vice chairman; Walter O. Joachim, exec. v.p.; Milton Toppel, v.p.; Agustin Borrero, sr. v.p.-finance & administration and treasurer; Robert Locke, v.p.-planning & development and asst. secretary; Jesús Jaen, controller & asst. sec.; Stefani Pepe, Rafael Torres, asst. secretaries & asst. treasurers.

Directors: Harold Toppel*, William C. Lang*, George Toppel*, Milton Toppel*, Manuel Vallecillo*, A. Michael Victory, Abraham Zaleznik, Guillermo Rodriguez-Benitez, Revenol Duryea*, Carlos O. Souffront, Richard W. McEwen, David W. Morrow.

* Member of the Executive Committee.

Business Activities: Operates Pueblo Supermarkets, conventional and warehouse-type stores in Puerto Rico and the U.S. Virgin Islands. Also operates a bakery in Venezuela and a wholesale cash-and-carry operation in Florida.

Divisions:

Pueblo Supermarkets Division
Holsum Division
Pueblo Wholesale Division
Pueblo Communications Division

Transfer Agent(s):

Marine Midland Bank, N.A.
140 Broadway
New York, New York 10015

Stock Exchange(s): New York, Pacific

Ticker Symbol: PII

Number of Stores: (at fiscal year end)

1985	42	1982	42
1984	44	1981	41
1983	44		

Sales and Earnings

	Net Sales	Net Income †
1985	$ 518,335,000	$ 5,105,000
1984	476,806,000	3,882,000
1983	505,912,000	3,906,000
1982	452,823,000	3,009,000
1981*	396,600,000	3,370,000

	No. of Com. Shares ‡	Earn. per Share ‡ †
1985	3,773,000	$ 1.35
1984	3,751,000	1.03
1983	3,822,000	1.02
1982	3,918,000	0.77
1981*	4,542,000	0.74

† Including extraordinary gains of $1,416,000 ($0.38 per share) in 1985, $733,000 ($0.19 per share) in 1984, $1,490,000 ($0.39 per share) in 1983 and $75,000 ($0.02 per share) in 1982.
* 53 weeks.
‡ Based on the weighted average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.16	—	—
1984	0.16	—	—
1983	0.13	—	—
1982	0.09	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 47,447,000	$ 12.54
1984	42,840,000	11.39

1983	39,466,000	10.55
1982	36,839,000	9.55
1981	37,509,000	8.26

Income Account

Year ended	1/26/85	1/28/84
Net sales	$ 518,335,000	$ 476,806,000
Cost of sales	407,774,000	373,421,000
Expenses	98,599,000	91,352,000
Depreciation & amortization	5,798,000	5,068,000
Interest expense	4,985,000	4,224,000
Other income	(4,399,000)	(4,062,000)
Loss (inc.) on dispos. of certain oper.		(348,000)
Income before taxes	$ 5,578,000	$ 7,151,000
Income taxes	2,552,000	4,002,000
Net Income	$ 3,026,000	$ 3,149,000
Extraord. items	1,416,000	733,000
Change in accounting method	663,000	
Net Income and Extraord. items	$ 5,105,000	$ 3,882,000

Assets

As of	1/26/85	1/28/84
Cash	$ 8,987,000	$ 15,076,000
Marketable securities	1,813,000	16,177,000
Accts. receiv., net	7,192,000	5,852,000
*Inventories	30,556,000	26,707,000
Prepaid expenses	4,223,000	2,379,000
Current Assets	$ 61,771,000	$ 66,191,000
#Fixed assets	53,791,000	51,996,000
Prop. held under cap. leases	11,603,000	11,053,000
Other assets	5,477,000	3,448,000
Total Assets	$ 132,642,000	$ 132,688,000

Liabilities

Long-term debt, curr.	$ 1,030,000	$ 4,472,000
Cap. lease oblig., curr.	686,000	564,000
Accts. payable	27,932,000	31,875,000
Dividends payable	151,000	150,000
Accruals	12,214,000	12,529,000
Income taxes	162,000	862,000
Curr. Liabilities	$ 42,175,000	$ 50,452,000
Long-term debt	25,642,000	24,572,000
Cap. lease oblig.	14,116,000	13,382,000
Other defer. credits & liabilities	3,262,000	1,442,000
+ Common stock	4,819,000	4,798,000
Add. paid-in capital	10,214,000	10,129,000
Retained earnings	37,421,000	32,920,000
Treasury stock	(5,007,000)	(5,007,000)
Total Liabilities & Shareholders' Equity	$ 132,642,000	$ 132,688,000

* At lower of cost or net realizable market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.08	1.50
%Net Income to Sales	0.58	0.66
%Net Income to Equity	6.38	7.35
Sales to Inventories	16.96	17.85
Working Capital	$19,596,000	$15,739,000
Current Ratio	14.45	1.31
Shareholders' Equity	$47,447,000	$42,840,000

Rapid-American Corporation

888 Seventh Avenue
New York, New York 10106
(212) 621-4500

Officers: Meshulam Riklis, chairman of the board, pres. & chief exec. officer; Harold S. Divine, vice chairman of the board; Daniel J. Manella, exec. v.p.; Charles L. Jarvie, Stephen L. Pistner, sr. v.p.'s; Stuart H. Aarons, secretary; Michael J. Magenheim, controller & asst. treasurer; Marcia Riklis, v.p.; Bernard J. Blaney, v.p. & treasurer.

Directors: Meshulam Riklis*, chairman; Mona R. Ackerman*; Harold S. Divine; Arie Genger; Charles L. Jarvie; Stephen L. Pistner; Ira Riklis*; Marcia Riklis*; Abraham S. Levin; Leonard C. Lane; Daniel J. Manella; Dan Palmon; Leo D. Stone; Helen H. Updike; Seymour Kleinman.

* Member of the Executive Committee.

Business Activities: Rapid-American is principally engaged (a) through its subsidiary, Schenley Industries, Inc., in the production, importation and sale of alcoholic beverages under various brand names; (b) through its subsidiaries, Anvil Brand Incorporated and Rapid-American Menswear, Inc., and its division, Leed Travelwear, and certain other divisions and subsidiaries, in the manufacture and sale of a variety of consumer products; and (c) through its subsidiary, McCrory Corporation, in retail merchandising.

Rapid-American's consumer products divisions and subsidiaries manufacture: men's clothing in several price ranges, including popular priced and medium priced suits and sports coats sold by the Botany "500" and Cross Country Divisions, under private labels and under trademarks "Botany," "Botany "500"," "500," "Cartier," "Worsted-Tex," "Fashion Park," "Stein Bloch," "Broadstreets," and "Coat Tails"; men's, women's, and boys' shirts, sports shirts, screen print shirts sold by the Wonderknit, Beau Brummell and Botany Shirt Divisions under such trademarks as "Wonderknit," "Ramrod," "New Era," "Botany," "Botany 500," "500," "Bronzini," "Anvil," "Ched," "Manfredo," "Ruggers," "St. Andrews," "The Livingston Tennessee Shirt Company," and "Bert Pulitzer"; Ladies' lingerie, sleepwear and undergarments sold by the Gilead Division under the "Gilead" and "Gillies" trademarks.

At January 31, 1985, McCrory Corporation operated 723 variety stores in the United States through its McCrory Stores division, under the various trade names, including "McCrory," "S.H. Kress," "Sterling Stores," "McLellan," "H.L. Green," and "J.J. Newberry."

Subsidiaries:

Schenley Industries, Inc.
McGregor Corp.
Anvil Brand, Inc.
Rapid-American Menswear, Inc.
Rapid Distribution Service, Inc.
RAAM Information Services Corporation
View Top Corporation
Triple Eight Corporation
McCrory Corporation
Gault Brothers

Acquisition(s):

Faberge, Inc. (61% owned)

Stock Exchange(s): *New York, Cincinnati, Pacific

* As of January 31, 1981 Rapid-American became a privately held company. The Company's debentures are publicly traded on these exchanges.

Number of Stores: (at fiscal year end)

1985	723	1982	1,773
1984	1,800	1981	1,746
1983	1,792		

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1985	$ 1,751,088	$ (8,356)
1984	1,442,492	56,444
1983	1,597,246	46,499
1982	1,637,600	6,955
1981	1,643,500	27,566

	No. of Com. Shares	Earn. per Share #
1985	1,461,364	$ —
1984	2,435,607	22.84
1983	2,435,607	18.71
1982	2,435,607	2.03
1981	2,435,607	3.55

(Loss)
+ Of continuing operations only; includes leased department sales.
Including extraordinary gains of $2,960,000 ($1.22 per share) in 1984, $13,834,000 ($5.68 per share) in 1983 and extraordinary loss of $18,240,000 ($12.48 per share) in 1985.
Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1985	1984
Alcoholic beverages	$ 416,000	$ 438,000
Retail merchandising	927,000	826,000
Consumer prods.	408,000	166,000
Others		12,000
Total	$ 1,751,000	$ 1,442,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$2.60		
1984	0.75		
1983	1.60		
1982	1.00		
1981	0.60		

Common Stock Equity

	Total Equity	Equity Per Share
1985	$	$
1984	96,763,000	39.73
1983	60,349,000	24.78
1982	55,174,000 +	22.65
1981	63,155,000 +	25.93

+ Allowing for preference stock at aggregate liquidation value.

Income Account
(000's)

Year ended Jan. 31	1985	1984
Net sales	$ 1,751,088	$ 1,442,492
Other income	64,811	49,320
Total Income	$ 1,815,899	$ 1,491,812
Cost of sales	1,138,265	976,336
Expenses	477,048	357,455
Depreciation & amortization	29,151	21,742
Interest expense	180,473	116,991
Minority interest	3,642	1,164
Inc. (loss) bef. taxes	$ (12,680)	$ 18,124
Income taxes (credit)	(4,761)	5,268
Inc. (loss) cont. oper.	$ (7,919)	$ 12,856
Inc. discont. oper.	17,803	53,484
Net Income	$ 9,884	$ 53,484
Extraord. items	(18,240)	2,960
Net Income (Loss) & Extraord. Items	$ (8,356)	$ 56,444

Assets
(000's)

As of Jan. 31	1985	1984
Cash	$ 26,131	$ 37,784
Marketable securities	191,943	66,120
Accts. receiv., net	141,509	97,890
*Inventories	434,514	512,060
Other receivables	56,602	49,112
Assets held for sale to stockholders	208,133	—
Current Assets	$ 1,058,832	$ 762,966
Invest. & advances	303,643	92,206
#Fixed assets	344,118	353,222
Other assets	416,175	344,179
Total Assets	$ 2,122,768	$ 1,552,573

Rapid-American Corporation

Liabilities
(000's)

Long-term debt, curr.	$ 76,721	$ 20,175
Cap. lease oblig., curr	7,792	5,969
Short-term debt	24,227	46,326
Accts. payable	134,693	169,227
Accruals	184,998	162,120
Income taxes	15,752	57,362
Curr. Liabilities	$ 444,183	$ 461,179
Long-term debt	1,318,013	720,823
Cap. lease oblig	66,576	45,284
Minority interest	58,289	45,485
Deferred inc. taxes	120,927	129,684
Other liabilities	38,334	53,355
+ Preferred stock	1	—
+ Common stock	24	24
Add. paid-in capital	167,670	57,774
Retained earnings	79,635	95,109
Treasury stock	(110,000)	—
For. curr. trans. adjust	(4,363)	(3,769)
Due from stockholders	(56,521)	(52,375)
Total Liabilities & Shareholders' Equity	$ 2,122,768	$ 1,552,573

* At LIFO cost

# Less accumulated depreciation and amortization

+ $0.01 par value

Statistical Summary

% Net Income to Equity	—	55.27
Sales to Inventories	4.03	4.77
Working Capital	$614,649,000	$301,787,000
Current Ratio	2.38	1.65
Shareholders' Equity	$ 76,446,000	$96,763,000

RB Industries, Inc.

Corporate Offices
1801 Century Park East, Suite 2101
Los Angeles, California 90067
(213) 553-3655

Executive Offices
2323 Southeast Main Street
Irvine, California 92714

Officers: Joseph Sinay, chairman of the board, president & chief exec. officer; James Nathan, president and chief exec. officer; Stanley N. Goff, exec. v.p. & chief operating officer; Samuel B. Sinay, v.p.; James Brightman, v.p.-finance & secretary; Araceli T. Bowker, treasurer

Directors: Joseph Sinay, Samuel B. Sinay, Stanley N. Goff, James Nathan, Irvine Robbins, James E. Ludlam, Myron M. Kaplan

Business Activities: Owns and operates furniture stores in California, Nevada, Arizona, Oregon, New Mexico, Texas and Washington

Divisions and Subsidiaries:

RB Furniture, Inc.
RB Creative Systems, Inc.
Laurel Development Company
W & J Sloane, Inc.

RBI/SAL Corporation (50% owned)
Operates Cousins Home Furnishings Centers in California

S.A. Levitz Services, Inc. (50% owned)
Acts as a consultant to the furniture retailer in the area of software packages

Transfer Agent(s):

Bank of America NT & SA
Los Angeles, California

Stock Exchange(s): New York

Ticker Symbol: RBI

Number of Stores: (at fiscal year end)

1984	71	1981	73
1983	76	1980	69
1982	77		

Sales and Earnings

	Revenues	Net Income
1984	$ 133,823,000	$ (2,681,000)
1983	97,805,000	387,000
1982	95,002,000	958,000
1981	90,482,000	652,000
1980	85,363,000	3,607,000

	No. of Com. Shares #	Earn. per Share #
1984	4,179,000	$ —
1983	3,437,000	0.11
1982	2,937,000	0.33
1981	2,935,000	0.22
1980	2,928,000	1.23

(Loss)

# Based on the average number of shares outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.16	—	—
1983	0.12	—	—
1982	0.16	—	—
1981	0.28	—	—
1980	0.27	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 41,632,000	$ 9.96
1983	29,672,000	8.63
1982	18,745,000	6.38
1981	18,247,000	6.22
1980	18,367,000	6.27

‡ Based on the average number of shares outstanding

Income Account *

Year ended June 30	1984	1983
Net sales	$ 132,401,000	$ 97,346,000
Other income	1,422,000	459,000
Total Income	$ 133,823,000	$ 97,805,000
Cost of sales	71,855,000	50,225,000
Expenses	56,777,000	42,885,000
Interest exp	4,173,000	4,523,000
Loss on investment	1,321,000	—
Inventory write-down	1,487,000	—
Unusual charges	1,784,000	—
Income (loss) before taxes	$ (3,574,000)	$ 172,000
Income taxes (credit)	(1,695,000)	20,000
Eq. in losses (earn.) of affil.	802,000	(235,000)
Net Income (Loss)	$ (2,681,000)	$ 387,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,009,000 in 1984 and $1,976,000 in 1983.

Assets

As of June 30	1984	1983
Cash & Cash equivalents	$ 4,659,000	$ 14,312,000
Notes receivable	702,000	705,000
Investments	4,435,000	—
Accts. receiv., net	12,696,000	10,060,000
Refundable income taxes	1,634,000	—
*Inventories	31,415,000	17,404,000
Prepaid expenses	2,115,000	2,894,000
Current Assets	$ 57,656,000	$ 45,375,000
#Fixed assets	42,158,000	39,469,000
Notes receivable	1,537,000	690,000
Investments	7,304,000	2,802,000
Other assets	1,521,000	1,292,000
Total Assets	$ 110,176,000	$ 89,628,000

Liabilities

Long-term debt, curr.	$ 4,844,000	$ 817,000
Oblig. under cap. lease	494,000	377,000
Accts. payable	13,451,000	7,189,000
Accruals	8,303,000	5,034,000
Income taxes payable	—	15,000
Defer. inc. taxes	2,713,000	2,423,000
Curr. Liabilities	$ 29,805,000	$ 15,855,000
Long-term debt	8,659,000	9,192,000
Long-term oblig. under cap. lease	18,572,000	17,466,000
Debentures	9,237,000	17,331,000
Other liabilities	1,162,000	—
Deferred inc. taxes	1,109,000	112,000
+ Common stock	4,304,000	3,873,000
Add. paid-in capital	26,389,000	11,507,000
Retained earnings	10,939,000	14,292,000
Total Liabilities & Shareholders' Equity	$ 110,176,000	$ 89,628,000

* At lower of cost (specific identification) or market

# Less accumulated depreciation

+ $1 par value

Statistical Summary

% Income bef. Taxes to Sales	—	0.15
% Net Income to Sales	—	0.39
% Net Income to Equity	—	1.30
Sales to Inventories	4.21	5.59
Working Capital	$27,851,000	$29,520,000
Current Ratio	1.93	2.86
Shareholders' Equity	$41,632,000	$29,672,000

Reitmans (Canada) Limited

250 Sauve Street West
Montreal, H3L 1Z2 Quebec, Canada
(514) 384-1140

Officers: Jack Reitman, chairman; Stephen F. Reitman, exec. v.p.; Jeremy H. Reitman, president; vice presidents: Cyril Reitman, Bruno Eller, v.p.-store planning; Jacques Rousseau-v.p. & treasurer; Philip Sacks-merchandise; Allan Salomon-real estate; Louis Waxman-Ontario operations; Jay Weiss-information systems; Lawrence D. Smith, v.p. & comptroller; Peter S. Marcovitz, secretary; L. Michael Blumenstein, asst. secretary; Jacques Rheault, v.p.-store relations; Diane Fichaud, v.p.-human resources; Allen F. Rubin, v.p.-distribution

Directors: Jack Reitman, Jeremy H. Reitman, Philip F. Vineberg, Cyril Reitman, Philip Sacks, Philippe de Gaspe-Beaubien, Stephen Reitman

Business Activities: Operates a chain of women's specialty shops across Canada and the central U.S. Some of these stores have children's and teen departments. Also operates leased department in self-service department stores and Smart Set Shops, a chain of boutiques, Worth's and Sweet Sixteen Stores.

Divisions and Subsidiaries:

Sweet Sixteen (Canada)
Reitmans (Canada) Inc.
Reitmans (U.S.) Corp.
Smart Set Fashions, Limited
Worth's Stores Corp.
Chablis stores

Transfer Agent(s):

Montreal Trust Company
Montreal, Toronto, Halifax, Calgary, Vancouver

Stock Exchange(s): Toronto, Montreal

Ticker Symbol: RET

Number of Stores: (at fiscal year end)

1985	666	1982	649
1984	651	1981	606
1983	652		

Sales and Earnings *

	Net Sales	Net Income
1985	$ 293,811,239	$ 13,666,490
1984 ×	282,346,709	13,749,224
1983	265,998,376	12,692,000
1982	255,600,524	11,815,000
1981	234,602,147	13,916,000

	No. of Com. Shares +	Earn. per Share †#
1985	9,275,482	$ 1.47
1984 ×	9,275,482	1.48
1983	9,275,482	1.37
1982	9,275,482	1.27
1981	9,275,482	1.50

* In Canadian dollars

× Restated to reflect change in method of translating financial statements of the U.S. subsidiary companies

+ Based on common shares and Class A shares outstanding adjusted to reflect stock dividend

† Based on the weighted average number of Class A and common shares outstanding adjusted to reflect stock dividend

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1985	$0.52	—	—
1984	0.48	100%	—
1983	0.46	—	—
1982	0.46	—	—
1981	0.41	—	—

‡ Common stock and Class A Stock combined adjusted to reflect stock dividend

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 106,322,000	$ 11.46
1984 ×	95,878,000	10.34
1983	85,331,000	9.20
1982	76,906,000	8.29
1981	70,086,000	7.56

× Restated

‡ Based on Class A and common shares outstanding adjusted to reflect stock dividend

Income Account

Year ended Jan. 31	1985	1984‡
Net sales	$ 293,811,239	$ 282,346,709
Cost of sales & expenses	271,293,809	257,979,370
Other income	(5,403,975)	(4,832,011)
Depreciation	4,754,983	3,981,919
Debenture interest	266,469	166,206
Amort. of goodwill	831,922	822,739
Income before taxes	$ 22,068,031	$ 24,228,486
Income taxes	8,401,541	10,479,262
Net Income	$ 13,666,490	$ 13,749,224

‡ Restated

Assets

As of Jan. 31	1985	1984‡
Cash	$ 14,441,971	$ 22,768,160
Accts. receiv., net	2,456,887	1,581,943
*Inventories	28,294,227	25,032,567
Prepaid expenses	2,381,232	2,596,958
Inc. taxes recov.	85,546	—
Current Assets	$ 47,659,863	$ 51,979,628
Marketable securities	44,739,315	33,073,295
#Fixed assets	24,324,996	22,035,154
Goodwill	11,911,800	12,177,955
Total Assets	$ 128,635,974	$ 119,266,032

Liabilities

Accts. payable & accruals	$ 20,545,701	$ 20,105,962
Income taxes	—	1,108,736
Other taxes	1,142,613	1,111,981
Long term debt, curr.	—	192,000
Curr. Liabilities	$ 21,930,314	$ 22,518,679
Long-term debt	—	250,000
Deferred inc. taxes	384,046	619,744
+ Class A stock	1,214,609	1,214,609
+ Common stock	482,171	482,171
Curr. trans. gain	2,803,198	1,202,432
Retained earnings	101,821,636	92,978,397
Total Liabilities & Shareholders' Equity	$ 128,635,974	$ 119,266,032

‡ Restated

* At lower of cost and net realizable value

# Less accumulated depreciation

+ No par value

Statistical Summary

% Income bef. Taxes to Sales	7.51	8.58
% Net Income to Sales	4.65	4.87
% Net Income to Equity	12.85	14.34
Sales to Inventories	10.38	9.98
Working Capital	$ 25,729,549	$29,460,949
Current Ratio	2.17	2.31
Shareholders' Equity	$106,321,614	$95,877,609

Revco D.S., Inc.

1925 Enterprise Parkway
Twinsburg, Ohio 44087
(216) 425-9811

Officers: Sidney Dworkin, president, chief executive officer & chairman; Henry H. Gray, vice chairman; R. Carroll Hudson, exec. v.p. & chief financial officer; Marc Dworkin, exec. v.p.-marketing; Albert Sebok, sr. v.p.-store operations; Marvin Solganik, sr. v.p.-real estate; Harold Bardon, v.p. & controller; Howard G. Bieber, v.p.-distribution; Elliot F. Dworkin, sr. v.p.-marketing; Stephen P. Gruber, v.p.-taxes; Daniel Horwitz, v.p.-merchandising; John P. Kern, v.p.-professional operations; H. Scott Leeseberg, v.p.-systems; Frank D. Petruno, v.p.-security; Paul R. Shellabarger, v.p.-store operations; Wilbur B. Smith, treasurer; Martin Zeiger, v.p.-general counsel & secretary; Lawrence Bell, asst. v.p.-risk mgt.; Leonard Cohen, v.p.-personnel; Gary Just, asst. v.p.-construction & maintenance; Robert C. Lewis, asst. v.p.-systems; Richard B. Harpster, asst. v.p.-taxes; Mark L. Schroeder, asst. v.p.-real estate; Howard A. Silver, asst. v.p.-internal auditing; William Mazur, asst. v.p.-distribution; Jay E. Ross, asst. v.p.-merchandising; Morton L. Stone, Jack Staph, asst. secretaries; Jerry Wasserman, v.p.-third party programs; David R. Stitt, asst. controller; Linda Gaunter asst. v.p.-purchasing.

Directors: Sidney Dworkin*, chairman; Henry H. Gray*, Gordon S. Prussian, William W. Davis, Marvin Solganik, Edward C. Gendron, R. Carroll Hudson*, Dudley J. Taw, Marc Dworkin*, Malvin E. Bank, Norton W. Rose

* Member of the Executive Committee

Business Activities: Operates a chain of discount drug stores in 28 states. Four manufacturing subsidiaries produce liquid generics, injectables, vitamins and food supplements, which are sold to brand-name manufacturers, wholesalers, and retail drug stores. Through a joint venture, the company operates Odd-Lot stores which sell close-outs and discontinued merchandise at discount prices.

Transfer Agent(s):

AmeriTrust Company
Corporate Trust Division
P.O. Box 6477
Cleveland, Ohio 44101

Stock Exchange(s): New York, Midwest

Ticker Symbol: RDS

Number of Stores: (at fiscal year end)

1984	1,778	1981	1,514
1983	1,661	1980	1,247
1982	1,593		

Sales and Earnings‡

	Net Sales (000's)	Net Income (000's)
1984*	$ 2,227,510	$ 93,411
1983	1,839,062	68,072
1982	1,588,666	49,027
1981	1,310,404	45,129
1980	1,092,797	38,916

	No. of Com. Shares#	Earn. per Share #
1984*	36,816,757	$ 2.54
1983	35,654,429	1.91
1982	35,153,141	1.39
1981	35,076,575	1.29
1980	34,804,010	1.12

* 53 weeks

‡ Restated to include operations of Odd Lot Trading Inc. acquired on a pooling of interests basis

# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits

Common Stock

	Cash Dividend #	Stock Dividend	Stock Split
1984	$0.68	—	—
1983	0.57		3-for-2
1982	0.49		—
1981	0.42		3-for-2
1980	0.34		—

# Adjusted to reflect stock splits

Common Stock Equity ×

	Total Equity	Equity Per Share ‡
1984	$ 447,126,000	$ 12.22
1983	374,158,000	10.24
1982	285,504,000	8.12
1981	248,950,000	7.09
1980	214,833,000	6.16

× Restated

‡ Adjusted to reflect stock splits

Income Account *
(000's)

Year ended	6/2/84	5/28/83 ‡
Net sales	$ 2,227,510	$ 1,839,062
Cost of sales	1,602,150	1,335,437
Expenses	447,777	374,129
Oper. profit	$ 177,583	$ 129,496
Interest income	(3,363)	(2,108)
Interest expense	6,402	6,252
Income before taxes	$ 174,544	$ 125,352
Income taxes	81,133	57,280
Net Income	$ 93,411	$ 68,072

* Included in Costs and Expenses, Depreciation and Amortization: $22,534,000 in 1984 and $19,680,000 in 1983

‡ Restated

Assets
(000's)

As of	6/2/84	5/28/83‡
Cash	$ 18,591	$ 51,338
Accts. & notes receiv., net	53,680	46,705
*Inventories	471,871	329,513
Prepaid expenses	18,617	16,385

Current Assets	$	562,759	$	443,941
#Fixed assets		187,547		153,185
Other assets		26,910		24,589
Total Assets	$	777,216	$	621,715

Liabilities
(000's)

Short-term borrowings	$	50,908	$	1,800
Long-term debt, curr		3,576		3,691
Accts. payable		158,965		125,810
Accrued payroll		17,814		21,004
Accruals		22,989		18,076
Income taxes		14,165		18,128
Curr. Liabilities	$	268,417	$	188,509
Long-term debt		39,408		46,448
Deferred inc. taxes		22,265		12,600
+Common stock		36,593		36,546
Add. paid-in capital		38,638		37,269
Retained earnings		371,895		300,343
Total Liabilities & Shareholders' Equity	$	777,216	$	621,715

‡ Restated
* At lower of cost (LIFO) or replacement market
# Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

% Income bef. Taxes to Sales	7.84	6.82
% Net Income to Sales	4.19	3.70
% Net Income to Equity	20.89	18.19
Sales to Inventories	4.72	5.58
Working Capital	$294,342,000	$255,432,000
Current Ratio	2.10	2.36
Shareholders' Equity	$447,126,000	$374,158,000

Revelstoke Companies Ltd.

P.O. Box 2501
508 24th Avenue S.W.
Calgary, Alberta, T2P 2N2 Canada
(403) 229-4666

Officers: D. Steele Curry, president and chief executive officer; Keith A. C. McDowell, sr. v.p. & secretary-treasurer; Gordon D. Roberts, exec. v.p.; Lionell E. Dobson, David A. Dupont, v.p.'s & gen. mdse. mgr.'s; Don R. Manning, v.p.-marketing

Directors: Gerald A. Berkhold, D. Steele Curry, John E. Sands, John L. Schlosser, Robert L. Strickland, G. Mark Curry, Daryl K. Seaman, Kitson Vincent, Harold P. Milavsky, Robert Stollery

Business Activities: Owns and operates a chain of lumber, building material and home improvement retail outlets throughout Western Canada. The stores are called "home improvement centres" in urban markets and "building centres" in rural markets. Also produces lumber.

Divisions and Subsidiaries:

Retail Division
Revelstoke Concrete & Lumber Ltd.
Revelstoke Home Improvement Centers Ltd.

Transfer Agent(s):

Montreal Trust Company (common stock)
Calgary, Toronto, Montreal and Vancouver

Canada Permanent Trust Company (preferred stock)
Calgary, Toronto, Montreal and Vancouver

Stock Exchange(s): Toronto

Ticker Symbol: REVA & REVB

Number of Stores: (at fiscal year end)

1984	76	1981	98
1983	80	1980	99
1982	92		

Sales and Earnings

	Net Sales +	Net Income#
1984	$ 137,137,000	$ (7,583,000)
1983	153,962,000	121,000
1982	143,862,000	(3,797,000)
1981	190,771,000	624,000
1980	165,886,000	893,000

	No. of Com. Shares†	Earn. per Share ‡#
1984	5,155,461	$ —
1983	5,139,461	—
1982	4,456,386	—
1981	4,666,386	0.13
1980	4,647,306	0.20

(Loss)
+ Of continuing operations only
# Including extraordinary gain of $3,873,000 ($0.75 per share) in 1984
† Class A and Class B shares combined
‡ Based on the weighted average number of class A and class B shares outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.10	—	—
1983	0.10	—	—
1982	0.17	—	—
1981	0.34	—	—
1980	0.34	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share†
1984	$ 27,812,412	$ 5.40
1983	35,866,412	6.99
1982	30,541,366	6.86
1981	36,422,066	7.81
1980	37,093,598	7.99

‡ After allowing for preferred stock at redemption value of $20.50 per share
† Class A and Class B shares combined

Income Account
(000's)

Year ended Dec. 31		1984		1983
Net sales	$	137,137	$	153,962
Gain on dispos. of fixed assets		(1,597)		(816)
Cost of sales & expenses		140,884		147,535
Depreciation, depletion & amortization		3,102		3,166
Interest expense		5,324		5,054
Loss (inc.) from concrete div.		985		(462)
Loss before taxes	$	(11,561)	$	(515)
Tax credit		(105)		(636)
Net Income (Loss)	$	(11,456)	$	121
Extraord. gain		3,873		—
Net Income (Loss) & extraord. gain	$	(7,583)	$	121

Assets
(000's)

As of Dec. 31		1984		1983
Accts. receiv., net	$	16,890	$	14,006
Inc. taxes recov.		125		—
*Inventories		42,636		41,447
Current Assets	$	59,651	$	55,453
Income taxes		2,488		2,408
Notes receiv.		503		569
Investments		6,000		—
#Fixed assets		24,307		35,041
Intangibles		12		399
Total Assets	$	92,961	$	93,870

Liabilities
(000's)

Short-term loans	$	38,065	$	26,081
Long-term debt & cap lease oblig., curr.		2,098		2,288
Accts. payable & accruals		10,864		13,183
Income taxes		—		106
Curr. Liabilities	$	51,027	$	41,658
Long-term debt & cap lease oblig.		12,455		14,632
Minority interest		—		47
+ Preferred stock		1,626		1,626
+ + Common stock				
Class A		10,223		10,075
Class B		762		768
Retained earnings		16,868		25,064
Total Liabilities & Shareholders' Equity	$	92,961	$	93,870

* At lower of cost or net realizable value
# Less accumulated depreciation and depletion
+ $20 par value
+ + No par value

Statistical Summary

Sales to Inventories	3.22	3.71
Working Capital	$ 8,624,000	$13,795,000
Current Ratio	1.17	1.33
Shareholders' Equity	$29,479,000	$37,533,000

Rite Aid Corporation

Railroad Avenue and Trindle Road
Shiremanstown, Pennsylvania 17011
(717) 761-2633

Mailing address

P.O. Box 3165
Harrisburg, Pennsylvania 17105

Officers: Alex Grass, chairman of the board and president; Heinz Boldes, Timothy Noonan, Alex Schanzroth, Franklin C. Brown, Duane Ruble, Martin Grass, senior vice presidents; Robert F. Brown, v.p. & treasurer; Charles Slane, v.p. & secretary; William Allen, Frank Bergonzi, Martin Binder, Howard Diener, Roger Grass, Walter K. McCahan, Robert R. Souder, Stuart Becker, F. Edward Chappell, David L. Dalton, Michael Flaherty, James Krahulec, Ronald A. Miller, John Valvano, Don Auchey, Philip Markovitz, Thomas M. Roven, vice presidents; Joseph Rosen, v.p.-Sera-Tec Biologicals; George Fegan, James O. Lott, Jr., Edward Neiman, John Palermo, Joseph T. Skaggs, Eric S. Sorkin, John McNamara, Dom Portanova, P. Douglas Stone, Gerald P. Cardinale, Michael G. Stappas, assistant vice presidents; I. Lawrence Gelman, asst. secretary and assistant v.p.

Directors: Alex Grass, chairman; Franklin C. Brown, Martin Grass, D. Erwin Millimet, Philip Neivert, Duane R. Ruble, Philip Zinman, Henry Taub

Areas of Work: Owns and operates a chain of discount drug stores and health and beauty aid stores in Connecticut, Maryland, Virginia, New Jersey, New York, Pennsylvania, New Hampshire, Delaware, Massachusetts, Vermont, Indiana, Tennessee, Kentucky, Ohio, West Virginia, North Carolina, South Carolina and Rhode Island. These stores are called Rite Aid. Through subsidiaries, operates a wholesale food distribution business, a rack service merchandiser of non-food products to grocery stores and specialized blood banking operations. The company also owns a 28.2% interest in Superdrug Stores P.L.C., which operates 174 stores in Great Britain. In addition, operates Circus World Toys, a retail toy store chain, ADAP, Inc., a chain of discount automotive parts, and Heaven, a chain of contemporary variety stores.

Divisions and Subsidiaries:

Rack Rite Distributors, Inc.
Railroad Avenue and Trindle Road
Shiremanstown, Pennsylvania 17011
(717) 761-2633

Sera-Tec Biologicals
525 Milltown Road
North Brunswick, New Jersey 08902
(201) 846-6800

ADAP
600 Bodwell Street
Avon, Maine 02322
(617) 587-8400

Encore Books
34 South 17th Street
Philadelphia, Pennsylvania 19103

Circus World Toys
21150 Trolley Industrial Drive
Taylor, Michigan 49180

Heaven
3360 Industrial Road
Harrisburg, Pennsylvania 17110
(717) 234-7253

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
New York, New York 10015

Registrar and Transfer Co.
Jersey City, New Jersey 07302

Stock Exchange(s): New York

Ticker Symbol: RAD

Number of Stores: (at fiscal year end)

1985	1,304	1982	997
1984	1,147	1981	914
1983	1,069		

Sales and Earnings

	Net Sales + (000's)	Net Income
1985	$ 1,445,682	$ 69,936,000
1984*	1,223,265	74,261,000
1983	1,049,260	54,978,000
1982	871,611	39,852,000
1981	775,762	35,885,000

	No. of Com. Shares ‡	Earn. per Share ‡
1985	41,279,000	$ 1.69
1984*	42,169,000	1.76
1983	42,124,000	1.31
1982	42,114,000	0.95
1981	42,090,000	0.85

* 53 weeks
+ Of continuing operations only
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits

Revenues By Line of Business

	1985	1984
Retail drug	$1,297,054,000	$1,135,994,000
Medical services	15,404,000	13,565,000
Specialty retailing	133,224,000	73,706,000
Total	$1,445,682,000	$1,223,265,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.433	—	—
1984	0.343	—	2-for-1
1983	0.280	—	3-for-2
1982	0.232	—	—
1981	0.196	—	4-for-3

+ Adjusted to reflect stock splits

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 353,665,000	$ 8.57
1984	323,797,000	7.68
1983	260,676,000	6.19
1982	217,872,000	5.17
1981	189,738,000	4.51

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits

Income Account *
(000's)

Year ended	3/2/85	3/3/84 (53 weeks)
Net sales	$ 1,445,682	$ 1,223,265
Cost of sales	1,021,735	878,400
Expenses	282,730	226,170
Interest expense	13,291	6,264
Income before taxes	$ 127,926	$ 112,431
Income taxes	62,706	55,097
Eq. in earn. of 50% or less owned cos.	(4,716)	(4,833)
Gain on sale of partial equity	—	(12,094)
Net Income	$ 69,936	$ 74,261

* Included in Costs and Expenses, Depreciation and Amortization: $29,888,000 in 1985 and $22,813,000 in 1984

Assets

As of	3/2/85	3/3/84
Cash & short-term invest.	$ 10,362	$ 11,672
Accts. & notes receiv., net	46,562	30,624
*Inventories	295,667	232,273
Prepaid expenses & other assets	7,685	5,589
Current Assets	$ 360,276	$ 280,158
Investments & advances	21,145	18,879
#Fixed assets	207,952	154,681
Other assets	6,085	2,971
Intangibles	66,747	31,225
Total Assets	$ 662,205	$ 487,914

Liabilities
(000's)

Notes payable	$ 78,470	$ 24,945
Long-term debt, curr.	3,452	5,682
Accts. payable	88,253	80,353
Accruals	7,394	3,955
Income taxes	11,892	4,941
Other taxes	4,843	4,092
Curr. Liabilities	$ 194,304	$ 123,968
Long-term debt	83,083	20,769
Deferred income taxes	31,153	19,380
+ Common stock	42,304	42,188
Add. paid-in capital	427	—
Retained earnings	336,428	284,311
Unrealized foreign currency translation losses	(4,708)	(2,702)
Treasury stock	(20,786)	—
Total Liabilities & Shareholders' Equity	$ 662,205	$ 487,914

* At lower of cost or market. Retail drug inventories at LIFO, all others at FIFO
# Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

% Income bef. Taxes to Sales	8.85	9.19
% Net Income to Sales	4.84	6.07
% Net Income to Equity	10.56	22.93
Sales to Inventories	4.89	5.27
Working Capital	$165,972,000	$156,190,000
Current Ratio	1.85	2.26
Shareholders' Equity	$662,205,000	$323,797,000

Rix Corp.

84 Rowe Street
Auburndale, Massachusetts 02166
(617) 969-4200

Officers: Richard L. Weinberg, president & treasurer; Edwin Schwartz, v.p.-special projects; Steven Sorkin, v.p.-merchandising; Reuben A. Herman, v.p.-finance & asst. treasurer; Lawrence M. Levinson, clerk; Martin B. Schulkin, Stephen W. Rider, asst. clerks

Directors: Richard L. Weinberg, Carol C. Weinberg, Lawrence Levinson, Gale Raphael

Business Activities: Operates retail stores and leased departments in 15 states, specializing in health and beauty aids, cosmetics, stationery and candy

Transfer Agent(s):

American Transfer Company
44 Beaver Street
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Number of Retail Outlets: (at fiscal year end)

	Stores	Leased Departments
1984	34	73
1983	33	72
1982	34	69
1981	35	69
1980	38	78

Sales and Earnings

	Net Sales	Net Income
1984	$ 38,551,982	$ 388,191
1983	34,706,368	226,536
1982	31,575,563	102,243
1981	30,935,858	(178,700)
1980	29,030,879	250,482

	No. of Com. Shares	Earn. per Share #
1984	478,294	$ 0.74
1983	609,569	0.37
1982	610,669	0.17
1981	614,269	—
1980	619,269	0.40

(Loss)
# Based on the weighted average number of shares

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 4,562,665	$ 9.54
1983	4,757,146	7.80
1982	4,534,622	7.43
1981	4,441,779	7.23
1980	4,630,177	7.48

Income Account *

Year ended	9/1/84	8/27/83
Net sales	$ 38,551,982	$ 34,706,368
Cost of sales & expenses	37,782,392	34,288,635
Interest expense	161,373	86,238
Income before taxes	$ 608,217	$ 331,495
Income taxes	220,026	104,959
Net Income	$ 388,191	$ 226,536

* Included in Costs and Expenses, Depreciation and Amortization: $220,592 in 1984 and $164,679 in 1983

Assets

As of	9/1/84	8/27/83
Cash	$ 241,369	$ 374,070
Accts. receiv., net	533,612	525,527
*Inventories	6,936,690	6,391,000
Prepaid expenses	265,985	116,148
Current Assets	$ 7,977,656	$ 7,406,745
#Fixed assets	1,236,132	1,069,821
Total Assets	$ 9,213,788	$ 8,476,566

Liabilities

Long-term debt, curr	$ 500,409	$ 4,161
Accts. payable	2,985,218	2,797,246
Accruals	565,746	301,211
Compensation & related taxes	324,750	415,050
Curr. Liabilities	$ 4,376,123	$ 3,517,668
Long-term debt	275,000	201,752
+ Common stock	64,000	64,000
Add paid in capital	443,125	443,125
Retained earnings	4,690,286	4,302,095
Treasury stock	634,746	52,074
Total Liabilities & Shareholders' Equity	$ 9,213,788	$ 8,476,566

* At lower of cost (FIFO or retail method) or market

# Less accumulated depreciation and amortization

+ $0.10 par value

Statistical Summary

% Income bef. Taxes to Sales	1.58	0.95
% Net Income to Sales	1.01	0.65
% Net Income to Equity	8.51	4.76
Sales to Inventories	5.56	5.43
Working Capital	$3,601,533	$3,889,077
Current Ratio	1.82	2.10
Shareholders' Equity	$4,362,665	$4,757,146

Rose's Stores, Inc.

P. H. Rose Building
P.O. Drawer 947
Henderson, North Carolina 27536
(919) 492-8111

Officers: L. H. Harvin, III, chairman & chief executive officer; Jack Edwards, president & chief operating officer; J. Avery Roberts, Jr., sr. v.p. human resources; John W. Little, sr. v.p. & mdsg.; John H. McElroy, v.p. marketing; R. Edward Anderson, v.p. info. systems & controller; D.C. Rose, v.p. finance & treasurer; T.B. Rose, III, v.p. distribution & warehouse merchandising; Thomas B. Banks, v.p. expansion & real estate; G.B. Rush, secretary & asst. treasurer

Directors: J. T. Church, chairman; Sam Ayoub; L. H. Harvin, III; R. H. Jenrette; R. G. Kittrell, Jr.; D.C. Rose; Elizabeth C. Bacon; Ralph W. Ketner; Jack Edwards; George M. Harvin; Albert N. Whiting

Business Activities: Operates a chain of discount stores in thirteen southeastern states.

Transfer Agent(s):

Wachovia Bank & Trust Co., N.A.
Winston-Salem, North Carolina

Stock Exchange(s): Over the Counter

Ticker Symbol: RSTO (NASDAQ)

Number of Stores: (at fiscal year end)

1984	193	1981	234
1983	191	1980	235
1982	238		

Sales and Earnings

	Net Sales	Net Income
1984	$ 927,395,000	$ 23,898,000
1983	829,286,000	21,886,000
1982	661,903,000	11,559,000
1981	594,759,762	8,241,658
1980	526,288,278	6,348,140

	No. of Com. Shares #	Earn. per Share #
1984	10,265,514	$ 2.33
1983	9,663,130	2.26
1982	9,493,065	1.22
1981	9,544,905	0.86
1980	9,605,754	0.66

# Based on the weighted average number of shares outstanding adjusted to reflet stock splits.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$0.37	—	—
1983	0.27	—	3-for-2 & 3-for-1
1982	0.18	—	—
1981	0.18	—	—
1980	0.17	—	—

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 144,130,000	$ 14.04
1983	124,062,000	12.84
1982	89,725,000	9.45
1981	79,891,086	8.37
1980	73,723,631	7.67

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended	1/30/85	1/25/84
Net sales	$ 927,395,000	$ 829,286,000
Cost of sales	709,624,000	632,753,000
Expenses	164,339,000	146,924,000
Prof. sh. plan	7,329,000	6,974,000
Interest expense	4,205,000	2,749,000
Income before taxes	$ 41,898,000	$ 39,886,000
Income taxes	18,000,000	18,000,000
Net Income	$ 23,898,000	$ 21,886,000

* Included in Costs and Expenses: Depreciation and Amortization: $9,405,000 in 1984 and $5,927,000 in 1983.

Assets

As of	1/30/85	1/25/84
Cash & cash equivalents	$ 7,176,000	$ 26,919,000
Accts. receiv., net	4,550,000	4,032,000
*Inventories	174,801,000	147,645,000
Def. inc. tax benefits	3,981,000	2,352,000
Other curr. assets	815,000	368,000
Current Assets	$ 191,323,000	$ 181,316,000
#Fixed assets	51,112,000	34,604,000
Other assets	493,000	601,000
Capitalized real estate leases	12,653,000	4,880,000
Total Assets	$ 255,581,000	$ 221,401,000

Liabilities

Long-term debt, curr	$ 1,653,000	$ 4,427,000
Accts. payable	41,697,000	43,923,000
Prof. sh. plan	7,329,000	6,974,000
Accrued payroll	11,595,000	10,688,000
Income taxes	8,115,000	1,082,000
Other liabilities	12,386,000	9,166,000
Cap. lease oblig. curr	2,165,000	598,000
Curr. Liabilities	$ 84,940,000	$ 76,858,000
Long-term debt	11,947,000	13,376,000
Deferred inc. taxes	2,595,000	1,913,000
Capital lease oblig.	11,969,000	5,192,000
+ Non-voting Class B stock	17,961,000	17,623,000
+ Common stock	2,250,000	2,250,000
Retained earnings	128,738,000	108,638,000
Treasury stock	(4,819,000)	(4,449,000)
Total Liabilities & Shareholders' Equity	$ 255,581,000	$ 221,401,000

* At cost (LIFO)

# Less accumulated depreciation and amortization.

+ $1.25 par value

Statistical Summary

% Income bef. Taxes to Sales	4.52	4.81
% Net Income to Sales	2.58	2.64
% Net Income to Equity	16.58	17.64
Sales to Inventories	5.31	5.62
Working Capital	$106,383,000	$104,458,000
Current Ratio	2.25	2.36
Shareholders' Equity	144,130,000	$124,062,000

Ruddick Corporation

2000 First Union Plaza
Charlotte, North Carolina 28282
(704) 372-5404

Officers: R. Stuart Dickson, chairman of the board; Alan T. Dickson, president; Richard N. Brigden, v.p. finance; J.L. Overton, controller & treasurer; D. B. Williford, asst. treasurer & secretary; James O. Stephens, asst. secretary; Mickey F. Frye, asst. treasurer

Directors: R. Stuart Dickson, chairman; A. W. Bell; Alan T. Dickson; Thomas M. Belk; Hugh L. McColl, Jr.; James E. S. Hynes; Roddey Dowd; W. T. Harris; Ford H. Jordan, Jr.; Charles L. Sigmon; George R. Smith; John C. Hutchens

Business Activities: A holding company, operating supermarkets in North and South Carolina, Tennessee and Georgia through its subsidiary, Harris-Teeter Super Markets, Inc.; the company also controls various manufacturing operations.

Subsidiaries:

Harris-Teeter Supermarkets, Inc.
P.O. Box 33129
Charlotte, North Carolina 28233
(704) 392-7471
Operates 128 supermarkets in North and South Carolina, Georgia and Tennessee.

American & Efird Mills, Inc.
Mount Holly, North Carolina 28120
(704) 827-4311
Primarily a manufacturer of industrial sewing thread and also produces sales yarn. A & E operates 11 plants in North Carolina.

Jordan Graphics, Inc.
P.O. Box 668306
Charlotte, North Carolina 28266
(704) 394-2121
Producer and distributor of a broad line of business forms.

Ruddick Investment Company (RIC)
2000 First Union Plaza
Charlotte, North Carolina 28282
(704) 372-5404
Venture capital investments.

Transfer Agent(s):

Wachovia Bank & Trust Co., N.A.
Winston-Salem, North Carolina

Stock Exchange(s): American

Ticker Symbol: RDK

Number of Stores: (at fiscal year end)

1984	128	1982	69
1983	70		

Sales and Earnings

	Net Sales +	Net Income
1984	$ 730,080,000	$ 13,221,000
1983	541,327,000	10,605,000
1982	521,759,000	9,113,000
1981	523,238,000	8,726,000
1980	465,896,000	8,294,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	3,953,575	$ 2.98
1983	3,444,435	2.64
1982	3,321,091	2.27
1981	2,442,537	2.17
1980	2,324,428	2.06

+ Of continuing operations only

‡ Based on the average number of shares outstanding

Revenues By Line of Business
(000's)

	1984	1983
American & Efird Mills	$ 106,432	$ 101,975
Harris-Teeter Super Markets	587,080	407,365
Jordan Business Forms	36,548	31,987
Total	$ 730,060	$ 541,327

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.86	—	—
1983	0.77	—	—
1982	0.69	—	—
1981	0.69	—	—
1980	0.58	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1984	$ 99,277,000	$ 25.11
1983	75,881,000	22.03
1982	67,618,000	20.36
1981	60,643,000	24.83
1980	50,048,000	21.53

‡ After allowing for preference stock at par values
# Based on the average number of shares outstanding

Income Account *

Year ended	10/30/84	10/2/83
Net sales	$ 730,060,000	$ 541,327,000
Cost of sales	575,722,000	424,399,000
Expenses	128,749,000	97,811,000
Interest expense	4,183,000	3,427,000
Earn. of unconsol subsid	(2,610,000)	(2,103,000)
Other expense	1,557,000	750,000
Income before taxes	$ 22,459,000	$ 17,043,000
Income taxes	9,238,000	6,438,000
Net Income	$ 13,221,000	$ 10,605,000

* Included in Costs and Expenses. Depreciation: $11,101,000 in 1984 and $8,187,000 in 1983.

Assets

As of	10/30/84	10/2/83
Cash	$ 4,831,000	$ 15,100,000
Accts. receiv., net	23,108,000	20,603,000
*Inventories	69,474,000	45,511,000
Other assets	4,149,000	5,470,000
Current Assets	$ 101,562,000	$ 86,684,000
#Fixed assets	110,878,000	77,834,000
Investments & other assets	14,874,000	10,526,000
Total Assets	$ 227,314,000	$ 175,044,000

Liabilities

Long-term debt, curr	$ 4,814,000	$ 4,011,000
Oblig. under capital lease, curr	698,000	620,000
Accts. payable	40,772,000	23,298,000
Income taxes	2,714,000	2,281,000
Accruals	20,327,000	12,027,000
Curr. Liabilities	$ 69,325,000	$ 42,237,000
Long-term debt	37,778,000	40,974,000
Oblig. under capital lease	3,924,000	3,657,000
Deferred inc. taxes	14,772,000	9,681,000
+ Preference stock	2,238,000	2,614,000
+ + Common stock	4,510,000	3,636,000
Add. paid-in capital	18,421,000	5,320,000
Retained earnings	76,721,000	67,300,000
Treasury stock	(375,000)	(375,000)
Total Liabilities & Shareholders Equity	$ 227,314,000	$ 175,044,000

* At lower of cost (LIFO & FIFO) or market
# Less accumulated depreciation
+ $5 par value
+ + $1 par value

Statistical Summary

%Income bef. Taxes to Sales	3.08	3.15
%Net Income to Sales	1.81	1.96
%Net Income to Equity	5.82	13.51
Sales to Inventories	10.51	11.89
Working Capital	$ 32,237,000	$44,447,000
Current Ratio	1.47	2.05
Shareholders' Equity	$227,314,000	$78,495,000

Safeway Stores, Incorporated

Fourth and Jackson Streets
Oakland, California 94660
(415) 891-3000

Officers: Peter A. Magowan, chairman and chief executive officer; James A. Rowland, president and chief operating officer; Edward N. Henney, exec. v.p.-supply operations; E. Richard Jones, exec. v.p.-information services & planning; Harry D. Sunderland, exec. v.p. & chief financial officer; John Bell, John S. Kimball, William H. Maloney, Donald J. Smith, group v.p.'s; Robert H. Kinnie, v.p., chairman, president & chief exec. officer-Canada Safeway Limited; William M. Albers, sr. v.p.-distribution; Robert E. Bradford, sr. v.p.-public affairs; F.J. Dale, sr. v.p. & controller; Roderick W. Davis, sr. v.p.-management information systems; Philip G. Horton, sr. v.p.-real estate & engineering; John L. Morris, sr. v.p. & corporate economist; John H. Prinster, sr. v.p.-marketing; John L. Repass, sr. v.p.-human resources; Bernat Rosner, sr. v.p.-law, secretary & general counsel; Patrick S. Totman, sr. v.p.-finance.

Directors: John F. Bookout, Dale L. Lynch, William H. Webster, Brayton Wilbur, Jr., Percy Chubb, III, Mary Gardiner Jones, Harry D. Sunderland, James R. Harvey, Roger D. Lapham, Jr., James A. Rowland, Merrill L. Magowan, W.S. Mitchell, Edward N. Henney, C. Robert Kemp, Marjorie S. Kinney, Peter A. Magowan, Samuel H. Armacost, Peter C. Bawden, Steven Muller.

Business Activities: Operates a chain of supermarkets in the United States, Canada, The United Kingdom, West Germany and Australia.

Subsidiaries:

Canada Safeway Limited
Safeway Food Stores Limited (United Kingdom)
Australian Safeway Limited
"Safeway" Supermarket GmbH (West Germany)
Johs. Esmarck's EFTF A/S (Denmark)

Transfer Agent(s):

First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s):* New York, Pacific, Boston, Midwest, London.

* Listed and/or traded.

Ticker Symbol: SA

Number of Stores: (at fiscal year end)

1984	2,571	1981	2,477
1983	2,507	1980	2,416
1982	2,454		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 19,642,201	$ 185,011
1983	18,585,217	183,303
1982	17,632,821	159,660
1981	16,580,318	108,284
1980*	15,102,673	129,138

	No. of Com Shares +	Earn. per Share #
1984	59,226,997	$ 3.12
1983	56,163,014	3.26
1982	52,261,216	3.06
1981	52,231,834	2.07
1980*	52,231,834	2.47

* 53 weeks
+ Adjusted to reflect stock split
# Based on the weighted average number of shares outstanding adjusted to reflect stock split

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$1.525	—	—
1983	1.425	—	2-for-1
1982	1.325	—	—
1981	1.30	—	—
1980	1.30	—	—

+ Adjusted to reflect stock split

Common Stock Equity

	Total Equity (000's)	Equity Per Share †
1984	$ 1,469,023	$ 24.54
1983	1,390,354	23.66
1982	1,137,095	21.74
1981	1,075,098	20.59
1980	1,055,687	20.21

† Adjusted to reflect stock split

Income Account *
(000's)

Year ended	12/29/84	12/31/83
Net sales	$ 19,642,201	$ 18,585,217
Cost of sales	15,004,547	14,249,843
Expenses	4,214,443	3,920,736
Oper. profit	$ 423,211	$ 414,638
Other income	26,874	20,565
Total	$ 450,085	$ 435,203
Interest expense	151,263	134,270
Income before taxes	$ 298,822	$ 300,933
Income taxes	113,811	117,630
Net Income	$ 185,011	$ 183,303

* Included in Costs and Expenses. Depreciation and Amortization: $295,290,000 in 1984 and $264,553,000 in 1983.

Assets
(000's)

As of	12/29/84	12/31/83
Cash	$ 74,442	$ 75,574
Receiv., net	105,166	91,642
*Inventories	1,563,244	1,433,254
Prepaid expenses	118,537	128,676
Current Assets	$ 1,861,389	$ 1,729,146
#Fixed assets	2,599,856	2,362,211
Other assets	75,984	83,006
Total Assets	$ 4,537,229	$ 4,174,363

Liabilities
(000's)

Notes payable	$ 44,913	$ 50,156
Long-term debt, curr	48,274	24,723
Cap. lease oblig., curr	45,427	45,841
Accts. payable and accruals	1,399,516	1,334,488
Income taxes	20,431	43,081
Curr. Liabilities	$ 1,558,561	$ 1,498,289
Long-term debt	646,532	422,362
Cap. lease oblig.	746,178	765,307
Accrued claims	116,935	98,051
+ Common stock	99,756	97,933
Add. paid-in capital	246,964	222,851
Cum. transl. adjust	(155,994)	(114,087)
Retained earnings	1,278,297	1,183,657
Total Liabilities & Shareholders' Equity	$ 4,537,229	$ 4,174,363

* U.S. stores and warehouse finished goods and inventories of grocery items valued by retail inventory method on a LIFO basis. All other inventories at lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization
+ $1.66⅔ par value

Statistical Summary

%Income bef. Taxes to Sales	1.52	1.62
%Net Income to Sales	0.94	0.99
%Net Income to Equity	12.59	13.18
Sales to Inventories	12.57	12.97
Working Capital	$ 302,828,000	$230,857,000
Current Ratio	1.19	1.15
Shareholders' Equity	$1,469,023,000	$1,390,354,000

Sage-Allen & Co. Inc.

900 Main Street
Hartford, Connecticut 06103
(203) 278-2570

Officers: Lafayette Keeney, chairman of the board, chief executive officer & treasurer; Charles Allen Haine, president & chief operating officer; David R. Bonney, sr. v.p. and chief financial officer; Frank L. Toro, v.p.-operations; Thomas G. Tacey, sr. v.p. & gen. mdse. mgr.; Rebecca Gilbert, v.p.-personnel; Craig A. Fleming, v.p.-branch stores; John J. Tesorero, Jr., v.p.-sales promotion; Ronald Catania, v.p. & dir.-loss prevention; Harvey Syde, v.p.-credit operations; Norman G. Novak, v.p.-management info. systems; Allen Lynn Westphal, secretary

Directors: Charles Allen Haine, Lafayette Keeney, Bertrand L. McTeague, Jane A. Merrick, S. Michael Schatz, Thomas G. Tacey, William K. Walton, Allen Lynn Westphal, Ted J. Crew, David R. Bonney

Business Activities: Operates a chain of specialty department stores in Connecticut

Transfer Agent(s):

American Stock Transfer Company
99 Wall Street
New York, New York 10005

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SGAL (NASDAQ)

Number of Stores: (at fiscal year end)

1985	12	1982	14
1984	12	1981	14
1983	12		

Sales and Earnings

	Net Sales	Net Income
1985	$ 65,589,973	$ 1,428,780
1984	61,686,587	1,705,157
1983	58,149,965	1,432,917
1982	56,857,645	801,577
1981	53,005,279	945,599

	No. of Com. Shares +	Earn. per Share #
1985	1,010,345	$ 1.41
1984	1,016,845	1.57
1983	1,097,954	1.31
1982	1,097,354	0.73
1981	1,097,354	0.86

+ Adjusted to reflect stock split.
# Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.40	—	—
1984	0.33	—	3-for-2
1983	0.20	—	—
1982	0.20	—	—
1981	0.28	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1985	$ 15,137,983	$ 14.98
1984	14,212,921	13.98
1983	13,598,158	12.38
1982	12,397,625	11.30
1981	11,830,151	10.78

+ Adjusted to reflect stock split

Income Account *

Year ended	2/2/85	1/28/84
Net sales	$ 65,589,973	$ 61,686,587
Cost of sales	39,014,659	37,142,987
Expenses	23,132,070	20,959,598
Interest expense	920,475	544,237
Other income	(74,722)	(90,601)
Income before taxes	$ 2,597,491	$ 3,130,366
Income taxes	1,168,711	1,425,209
Net Income	$ 1,428,780	$ 1,705,157

* Included in Costs and Expenses, Depreciation and Amortization: $1,137,588 in 1985 and $985,788 in 1984.

Assets

As of	2/2/85	1/28/84
Cash	$ 168,069	$ 108,916
Accts. receiv., net	11,905,211	11,313,620
*Inventories	8,341,063	6,186,966
Prepaid expenses	685,669	641,833
Current Assets	$ 21,100,012	$ 18,251,335
#Fixed assets	11,901,849	9,936,658
Other assets	79,959	86,376
Total Assets	$ 33,081,820	$ 28,274,369

Liabilities

Long-term debt, curr.	$ 508,148	$ 503,244
Accts. payable	4,025,562	3,090,957
Accruals	2,238,075	2,258,592
Income taxes	2,769,462	2,635,859
Curr. Liabilities	$ 9,541,247	$ 8,488,652
Long-term debt	7,382,862	4,616,010
Deferred inc. taxes	597,047	514,883
Other liabilities	422,681	441,903
+ Common stock	113,496	113,496
Add. paid-in capital	1,305,151	1,305,151
Retained earnings	14,656,655	13,634,093
Treasury stock	(937,319)	(839,819)
Total Liabilities & Shareholders Equity	$ 33,081,820	$ 28,274,369

* At cost (LIFO)
# Less accumulated depreciation and amortization
+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Sales	3.96	5.07
%Net Income to Sales	2.18	2.76
%Net Income to Equity	9.44	12.00
Sales to Inventories	7.86	9.97
Working Capital	$11,558,765	$9,762,685
Current Ratio	2.21	2.15
Shareholders' Equity	$15,137,983	$14,212,921

Sara Lee Corporation

(formerly Consolidated Foods Corporation)

Three First National Plaza
Chicago, Illinois 60602
(312) 726-2600

Officers: John H. Bryan, Jr., chairman of the board & chief executive officer; Robert E. Elberson, president & chief operating officer; Michael E. Murphy, executive vice president and chief financial and administrative officer; David E. Harrold, sr. v.p.-planning & development; Leo L. Contois, sr. v.p.-human resources; Paul Fulton, P. Frederick Kahn, George W. Bryan, John B. McKinnon, C. Steven McMillan, Andrew E. Weidener, senior vice presidents; Gordon H. Newman, senior vice president, secretary & general counsel; Daniel J. Brennan, v.p.-taxes & insurance; Frank W. Holas, Philip R. Currier, Douglas E. Pease, Leslie W. Riley, Jr., Michael H. Dennos, William D. Hardison, John H. Morris, Jr., Joseph F. Neely, v.p.'s; Robert L. Lauer, v.p.-corporate affairs; John H. Morris, Jr., v.p.-corporate affairs; Richard G. Rademacher, sr. v.p. & controller; William F. Cronin, v.p.-corporate growth and development; William T. White, Jr., vice president-admin.; Patty Delony Kester, v.p.-investor relations; James R. Carlson, v.p.-corp. development; Vincent H. Swoyer, v.p.-corp. systems; Dennis W. Hagele, assistant controller; Mark J. McCarville, v.p. & treasurer; Jo Ann Burkholder, Thomas H. Gordon, William D. Irle, Charles Y. Lackey, William S. Lipsman, Ronald L. Scherubel, assistant secretaries; Floyd G. Hoffman, asst. secretary & associate gen. counsel; Stephen G. Worthley, Miles R. Greer, asst. treasurers

Directors: Roy L. Ash*, John H. Byran, Jr.*, Nathan Cummings*, Robert E. Elberson*, John T. Fey*, Carl A. Gerstacker*, James L. Ketelsen, Gualtherus Kraijenhoff, Joan D. Manley, Beatrice C. Mayer, Paul W. McCracken, J. Dean Muncaster*, Michael E. Murphy, R. Roy Pearce, Richard L. Thomas, Willie D. Davis, John E. Swearingen, Leo Van Dongen

* Member of the Executive Committee

Business Activities: Foodservice Distribution-food and supplies for volume feeding operations.

Beverages-coffee, tea, and soft drinks.

Consumer Personal Products-hosiery, knitwear, women's swimwear, intimate apparel, gloves, personal and household care products.

Consumer Foods-fresh and processed meats, frozen baked goods, potatoes, confections, candy, canned fruits and vegetables, refined sugar.

Consumer Direct Sales-home cleaning appliances; Lawson's operates convenience food stores in Ohio, Pennsylvania, Michigan and Indiana; restaurants.

Divisions and Subsidiaries:

Beverages:

Douwe Egberts B.V. (65% owned)
Utrecht, Holland

Shasta Beverages
Hayward, California

Superior Coffee Co.
Bensenville, Illinois

Consumer Personal Products:

Hanes Hosiery
Winston-Salem, North Carolina

L'eggs Products
Winston-Salem, North Carolina

Hanes Knitwear
Winston-Salem, North Carolina

Bali Company
Winston-Salem, North Carolina

Ets. Lardenois
Hermes, Frances

Intradal NV
Amersfoort, Holland

Canadelle, Inc.
Montreal, Quebec, Canada

Aris Isotoner, Inc.
New York, New York

Sirena, Inc.
South El Monte, California

Hanes Printables
Winston-Salem, North Carolina

Nicholas Kiwi
Clayton, Australia

Foodservice Distribution

PYA/Monarch
Greenville, South Carolina

Booth Fiseries Corporation
Chicago, Illinois

Consumer Direct Sales

Electrolux Corporation
Stamford, Connecticut

The Fuller Brush Company
Great Bend, Kansas

The Lawson Company
Cuyahoga Falls, Ohio

Lyon's Restaurants
Foster City, California

Consumer Foods

Kitchens of Sara Lee
Deerfield, Illinois

Chef Pierre, Inc.
Traverse City, Michigan

Idaho Frozen Foods
Twin Falls, Idaho

Popsicle Industries
Englewood, New Jersey

Kahn's and Company
Cincinnati, Ohio

Bryan Foods
West Point, Mississippi

Hillshire Farm
New London, Wisconsin

Rudy's Farm
Nashville, Tennessee

Gallo Salame
San Francisco, California

Hollywood Brands
Centralia, Illinois

Jonker Fris B.V.
Heusdan A.D. Maas, Holland

Union Sugar
San Francisco, California

Hi-Brand Foods
Peachtree, Georgia

Standard Meat Co.
Fort Worth, Texas

Jimmy Dean Meat
Dallas, Texas

Peck Meat Packing
Milwaukee, Wisconsin

R.B. Rice
Lee's Summit, Missouri

Smoky Hollow Foods
Little Rock, Arkansas

Transfer Agent(s):

Consolidated Foods Corporation
Chicago, Illinois

Stock Exchange(s): New York, Midwest, Pacific, London, Amsterdam

Ticker Symbol: SLE

Number of Stores: (at fiscal year end)

1984	700	1981	730
1983	682	1980	740
1982	700		

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1984	$ 7,000,310	$ 188,441
1983	6,572,298	171,255
1982*	6,039,276	156,737
1981	5,614,052	140,278
1980	5,342,860	127,682

	No. of Com. Shares #	Earn. Per Share #
1984	56,636,000	$ 3.25
1983	59,254,000	2.87
1982*	56,910,000	2.70
1981	57,953,000	2.34
1980	59,390,000	2.06

* 53 weeks
+ Of continuing operations only
# Based on the weighted average number of shares outstanding adjusted to reflect stock split

Revenues By Line of Business
(000's)

	1984	1983
Consumer foods	$ 1,896,000	$ 1,731,000
Foodservice distribution	1,363,000	1,158,000
Beverages	1,440,000	1,455,000
Consumer personal products	1,446,000	1,351,000
Consumer direct sales	962,000	975,000
Intersegment sales	(107,000)	(98,000)
Total	$ 7,000,000	$ 6,572,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$1.265	—	2-for-1
1983	1.135	—	—
1982	1.033	—	—
1981	0.933	—	—
1980	0.860	—	—

+ Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 956,908,000	$ 17.32
1983	935,016,000	16.20
1982	905,573,000‡	15.34
1981	843,744,000‡	14.52
1980	810,357,000‡	13.25

‡ After allowing for preferred stock at involuntary liquidation value
# Adjusted to reflect stock split

Income Account *
(000's)

Year ended	6/30/84	7/2/83
Net sales	$ 7,000,310	$ 6,572,298
Cost of sales	4,730,787	4,394,103
Expenses	1,924,851	1,845,565
Interest expense	23,145	35,745
Income before taxes	$ 321,527	$ 296,885
Income taxes	126,031	113,269
Minority interest	7,055	12,361
Net Income	$ 188,441	$ 171,255

* Included in Costs and Expenses, Depreciation: $125,058 in 1984 and $120,061 in 1983

Assets
(000's)

As of	6/30/84	7/2/83
Cash, invest., & market secur.	$ 142,001	$ 148,782
Accts. receiv., net	580,909	544,158
*Inventories	863,302	761,304
Other curr. assets	50,091	24,551
Current Assets	$ 1,636,303	$ 1,478,795
Investments	57,498	52,682
Notes receiv.	35,284	36,287
#Fixed assets	837,880	825,647
Intangibles	254,792	222,929
Total Assets	$ 2,821,757	$ 2,616,340

Liabilities
(000's)

	6/30/84	7/2/83
Notes payable	$ 113,671	$ 76,318
Long-term debt, curr.	17,543	90,161
Accts. payable & accruals	926,328	881,843
Deferred inc. taxes	6,982	23,314
Cap. lease oblig., curr.	2,953	3,790
Curr. Liabilities	$ 1,067,477	$ 1,075,426
Long-term debt	336,101	244,955
Long-term oblig., capital leases	23,229	25,063
Minority interest	20,582	90,200
Deferred inc. tax	258,787	187,476
Other liabilities	83,673	58,204
+ Common stock	79,730	40,332
Add. paid-in capital	3,169	56,872
Retained earnings	1,061,772	951,780
Foreign curr. trans.	(76,558)	(55,568)
Treasury stock	(111,205)	(58,400)
Total Liabilities & Shareholders' Equity	$ 2,821,757	$ 2,616,340

* At lower of cost (primarily FIFO) or market
# Less accumulated depreciation
+ $1.33⅓ par value

Statistical Summary

%Income bef. Taxes to Sales	4.59	4.52
%Net Income to Sales	2.69	2.61
%Net Income to Equity	19.69	18.32
Sales to Inventories	8.11	8.63
Working Capital	$568,826,000	$403,369,000
Current Ratio	1.53	1.38
Shareholders' Equity	$956,908,000	$935,016,000

Schaak Electronics, Inc.

1415 Mendota Heights Road
St. Paul, Minnesota 55120
(612) 454-6830

Officers: R.L. Schaak, chairman of the board & chief executive officer; Paul R. Ginther, president; Lawrence J.W. Castriotta, exec. v.p.; Towru Nagano, v.p.-corporate development; Bruce E. Yoder, asst. secretary & asst. controller; Oleh Artym, v.p.; Joseph D. Osowski, v.p.-merchandising; Loren L. Berg, v.p.-retail operations; Robert P. Ziomek, sr. v.p.-finance; Joseph D. Osowski, v.p.-merchandising; James A. Coryea, II, controller; Thomas J. Campbell, secretary.

Directors: R.L. Schaak*, chairman; Paul R. Ginther; Galen M. Cadle*; Thomas Schreier*; Michael Scott*; Lawrence J.W. Castriotta.

*Member of the Executive Committee.

Business Activities: Primarily a retailer of personal computers and high fidelity sound equipment, serving its customers through fifty-four company owned retail sales centers and four licensees. In addition, the company wholesales high fidelity equipment to smaller dealers and manufactures a line of high fidelity speakers.

Schaak Electronics, Inc.

Subsidiary:

Federal Equity & Acceptance Corporation (unconsolidated)
St. Paul, Minnesota

Transfer Agent(s):

American National Bank and Trust Company
St. Paul, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SHAA (NASDAQ)

Number of Stores: (at fiscal year end)

1984	57	1981	51
1983	54	1980	39
1982	57		

Sales and Earnings

	Net Sales	Net Income
1984	$ 79,778,000	$ (327,000)
1983	65,273,000	(918,000)
1982	58,027,000	686,000
1981	49,303,000	621,000
1980	45,556,474	1,457,035

	No. of Com Shares #	Earn. per Share #
1984	1,682,000	$ —
1983	1,679,000	—
1982	1,615,000	0.42
1981	1,454,000	0.43
1980	1,302,738	1.12

(Loss)

Based on the weighted average number of common shares and common share equivalents outstanding

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 9,977,000	$ 5.93
1983	10,290,000	6.13
1982	10,890,000	6.74
1981	10,119,000	6.96
1980	6,820,000	5.24

‡ Based on the weighted average number of common shares and common share equivalents outstanding

Income Account *

Year ended May 31	1984	1983
Net sales	$ 79,778,000	$ 65,273,000
Cost of sales	54,522,000	46,076,000
Expenses	25,448,000	20,312,000
Interest expense	914,000	755,000
Eq. in income of subsid	(291,000)	(50,000)
Loss bef. taxes	$ (815,000)	$ (1,820,000)
Tax credit	(488,000)	(902,000)
Net Loss	$ (327,000)	$ (918,000)

* Included in Costs and Expenses, and Depreciation $1,106,000 in 1984 and $995,000 in 1983.

Assets

As of May 31	1984	1983
Cash	$ 391,000	$ 761,000
Accts. receiv., net	2,069,000	1,794,000
Advances to finance subsidiary	156,000	18,000
*Inventories	19,436,000	17,589,000
Income taxes receivable	—	998,000
Prepaid expenses & other assets	153,000	211,000
Current Assets	$ 22,205,000	$ 21,371,000
Invest. in fin. subsid	1,391,000	400,000
Long-term receivable	—	174,000
#Fixed assets	5,809,000	5,219,000
Total Assets	$ 29,405,000	$ 27,164,000

Liabilities

Long-term debt, curr	$ 580,000	$ —
Accts. payable	8,017,000	8,533,000
Accrued payroll	749,000	466,000
Other liabilities	860,000	858,000
Curr. Liabilities	$ 10,206,000	$ 9,857,000
Long-term debt	8,820,000	6,100,000
Deferred inc. taxes	402,000	917,000
+ Common stock	168,000	168,000
Add. paid-in capital	4,569,000	4,355,000
Retained earnings	5,240,000	5,567,000
Total Liabilities & Shareholders' Equity	$ 29,405,000	$ 27,164,000

* At lower of cost (FIFO) or market

Less accumulated depreciation

+ $0.10 par value

Statistical Summary

Sales to Inventories	4.10	3.71
Working Capital	$11,999,000	$11,514,000
Current Ratio	2.18	2.17
Shareholders' Equity	$ 9,977,000	$10,290,000

Schultz Sav-O Stores, Inc.

2215 Union Avenue
Sheboygan, Wisconsin 53081
(414) 457-4433

Officers: Howard C. Dickelman, chairman of the board & president; J.D. Ison, v.p. & dir.-corp. operations; Thomas Fox, v.p. & asst. dir.-retail operations; James H. Dickelman, v.p. & dir.-grocery merchandising; Oscar O. Ward, v.p. & dir.-meat merchandising; Frank D. Welch, v.p. & dir.-engineering; Robert A. Hobart, v.p. & dir.-mgt. info. services; John H. Dahly, v.p. and treasurer; Jacob A. Stroo, secretary

Directors: Howard C. Dickelman*, James H. Dickelman*, Gerald G. Grube*, Jacob A. Stroo, Bernard S. Kubale, J.D. Ison*, Thomas Fox, John H. Dahly, Michael R. Houser

* Member of the Executive Committee

Business Activities: Operates 39 corporate Piggly Wiggly supermarkets and Sav-U and supplies 33 franchise stores in east-central Wisconsin. In addition to servicing this group, the Company also supplies dry groceries, fresh produce, dairy and meat products to retail food operations in Wisconsin.

Divisions:

Springtime Beverage Division

Transfer Agent(s):

The Citizens Trust Company
Sheboygan, Wisconsin

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)*

1984	38	1981	38
1983	39	1980	37
1982	39		

* Corporate owned stores only

Sales and Earnings

	Net Sales	Net Income
1984	$ 367,574,679	$ 1,110,764
1983	368,813,385	1,109,805
1982	362,464,416	1,301,405
1981	336,705,923	1,331,160
1980*	305,595,687	1,584,644

	No. of Com Shares ‡	Earn. per Share ‡
1984	350,817	$ 3.18
1983	338,766	2.34
1982	551,068	2.35
1981	551,068	2.40
1980*	524,963	2.86

* 53 weeks

‡ Adjusted to reflect stock dividend

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$0.50	—	—
1983	0.50	—	—
1982	0.50	—	—
1981	0.49	5%	—
1980	0.48	—	—

‡ Adjusted to reflect stock dividend

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1984	$ 9,348,421	$ 26.65
1983	8,261,104	24.39
1982	12,068,949	21.90
1981	11,052,083	20.06
1980	10,004,060	19.06

‡ After allowing for preferred stock at par value of $100 per share

† Adjusted to reflect stock dividend

Income Account *

Year ended	12/29/84	12/31/83
Net sales	$ 367,574,679	$ 368,813,385
Cost of sales	360,592,614	362,069,920
Expenses	4,334,661	4,126,009
Interest expense	1,472,700	1,455,029
Other income	(640,060)	(662,378)
Income before taxes	$ 1,814,764	$ 1,824,805
Income taxes	704,000	715,000
Net Income	$ 1,110,764	$ 1,109,805

* Included in Costs and Expenses, Depreciation and Amortization: $2,933,055 in 1984 and $2,815,497 in 1983.

Assets

As of	12/29/84	12/31/83
Cash	$ 1,692,837	$ 3,340,764
Accts. receiv., net	3,064,154	2,343,419
*Inventories	15,033,060	13,684,373
Prepaid expenses	324,236	491,797
Receiv. under capital sublease agrmts., curr	279,367	274,172
Current Assets	$ 20,393,654	$ 20,134,525
Investments & other assets	2,057,716	2,180,999
#Fixed assets	13,634,583	12,949,132
Receiv. under capital sublease agrmts	3,030,149	3,171,412
Leased property	3,057,389	3,589,665
Total Assets	$ 42,173,491	$ 42,025,733

Liabilities

Long-term debt, curr	$ 782,086	$ 964,217
Accts. payable	12,733,001	11,979,657
Accruals	3,312,379	3,471,676
Reserve for income taxes	91,035	97,287
Oblig. under capital lease, curr	892,751	840,353
Curr. Liabilities	$ 17,811,252	$ 17,353,190
Long-term debt	6,790,464	7,572,550
Oblig. under capital lease	6,353,323	7,062,335
Deferred inc. taxes	1,570,031	1,476,554
+ Preferred stock	300,000	300,000
+ + Common stock	350,817	338,766
Add. paid-in capital	1,933,645	1,786,987
Retained earnings	7,063,959	6,135,351
Total Liabilities & Shareholders' Equity	$ 42,173,491	$ 42,025,733

* At cost which is not in excess of market
# Less accumulated depreciation and unamortized investment credit
+ $100 par value
+ + $1 par value

Statistical Summary

%Income bef. Taxes to Sales	0.49	0.49
%Net Income to Sales	0.30	0.30
%Net Income to Equity	11.51	12.96
Sales to Inventories	24.45	26.95
Working Capital	$2,582,402	$2,781,335
Current Ratio	1.14	1.16
Shareholders' Equity	$9,648,421	$8,561,104

SCOA Industries Inc.

33 North High Street
Columbus, Ohio 43215
(614) 221-7262

Officers: Herbert H. Schiff, chairman and chief executive officer; George R. Friese, president and chief operating officer; Stephen A. Feldman, v.p. & controller; Larry Voelker, v.p.-finance & treasurer; William K. Friend, secretary & corporate counsel; Joseph E. Andres & Lois A. Gruhin, asst. secretaries; Kathryn M. Corry, asst. treasurer

Directors: Herbert H. Schiff, chairman; Herbert H. Goldberger, Gene E. Engleman, Harvey Krueger, Neil Papiano, George R. Friese, Thomas Parker, William B. Saxbe, Ralph E. Waldo

Business Activities: Operates company-owned family shoe stores principally under the Gallenkamp name, also imports footwear and operates leased shoe departments. Operates 123 Hills Department Stores located in eleven Eastern and Midwestern states. The Dry Goods operates six department stores in Delaware, Pennsylvania and New Jersey. Rudnick operates leased domestic goods departments.

Divisions and Subsidiaries:

Retail Footwear Division
Columbus, Ohio

SCA International
West Peabody, Massachusetts

Hills Department Stores
Canton, Massachusetts

The Dry Goods
Aston, Pennsylvania

Rudnick Company
Hamden, Connecticut

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

Bank One of Dayton, N.A.
Dayton, Ohio

Stock Exchange(s): New York

Ticker Symbol: SOA

Number of Stores: (at fiscal year end)

	Shoe Stores & Depts.	Dept. Stores	Domestics Depts.
1985	627	129	123
1984	749	122	119
1983	707	104	102
1982	705	97	96
1981	715	83	87

Sales and Earnings

	Net Sales	Net Income
1985	$1,423,613,000	$ 41,027,000
1984	1,304,579,000	41,812,000
1983	1,155,051,000	36,084,000
1982	1,057,573,000	32,109,000
1981*	941,713,000	28,118,000

	No. of Com Shares ‡	Earn. per Share ‡
1985	17,111,128	$ 2.40
1984	18,818,203	2.22
1983	18,770,749	1.92
1982	18,770,749	1.73
1981*	18,476,374	1.52

* 53 weeks
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits

Revenues By Line of Business
(000's)

	1985	1984
General merchandising	$ 1,201,943	$ 1,079,796
Footwear	221,670	224,783
Total	$ 1,423,613	$ 1,304,579

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1985	$0.74	—	—
1984	0.62	—	5-for-4
1983	0.52	—	—
1982	0.46	—	3-for-2
1981	0.42	—	5-for-4 & 5-for-4

‡ Adjusted to reflect stock splits

Common Stock Equity

	Total Equity	Equity Per Share †
1985	$ 178,652,000	$ 10.44
1984	205,287,000	10.91
1983	173,797,000	9.26
1982	147,301,000	7.85
1981	122,811,000	6.65

† Based on the weighted average number of shares outstanding adjusted to reflect stock splits

Income Account *
(000's)

Year ended	1/26/85	1/28/84
Net sales	$ 1,423,613	$ 1,304,579
Cost of sales	971,465	881,267
Expenses	367,388	342,440
Interest income	(9,975)	(13,265)
Other expense (income)	1,976	(338)
Interest expense	17,349	17,758
Income before taxes	$ 75,410	$ 76,717
Income taxes	34,383	34,905
Net Income	$ 41,027	$ 41,812

* Included in Costs & Expenses, Depreciation and Amortization: $16,636,000 in 1985 and $14,065,000 in 1984.

Assets
(000's)

As of	1/26/85	1/28/84
Cash & marketable securities	$ 145,598	$ 171,195
Receiv., net	9,241	11,151
*Inventories	165,575	146,567
Other curr. assets	8,174	2,116
Current Assets	$ 328,588	$ 331,029
\#Fixed assets	98,146	95,693
Leased prop. under cap. leases	76,257	69,366
Other assets	2,574	5,248
Total Assets	$ 505,565	$ 501,336

Liabilities
(000's)

Long-term debt, curr.	$ 3,060	$ 2,968
Oblig. under cap. leases, curr.	2,218	1,837
Accts. payable & accruals	136,417	110,985
Dividends payable	3,110	3,207
Income taxes	17,161	11,550
Curr. Liabilities	$ 161,966	$ 130,547
Long-term debt	69,368	79,485
Oblig. under cap. leases	88,702	80,351
Other liabilities	6,877	5,666
+ Common stock	18,948	18,939
Add. paid-in capital	3,821	3,653
Retained earnings	216,498	187,809
Treasury stock	(56,844)	(241)
Unamortized value of restricted stock	(3,771)	(4,873)
Total Liabilities & Shareholders' Equity	$ 505,565	$ 501,336

* At lower of cost (LIFO) or market
# Less accumulated depreciation & amortization
+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	5.30	5.88
%Net Income to Sales	2.88	3.21
%Net Income to Equity	22.96	20.37
Sales to Inventories	8.60	8.90
Working Capital	$166,622,000	$200,482,000
Current Ratio	2.03	2.54
Shareholders' Equity	$178,652,000	$205,287,000

Scotty's, Inc.

P.O. Box 939
Winter Haven, Florida 33880
(813) 299-1111

Officers: James W. Sweet, chairman of the board and chief executive officer; Ray H. Cooney, president and chief operating officer; Harold W. Taylor, sr. v.p., secretary & chief financial officer; Hugh Tuttle, v.p. & sr. regional mgr.; Dennis W. Stults, exec. v.p.; Dan Maffett, v.p. & general sales mgr.; James E. Howe, v.p.-employee relations; Richard W. Martineau, asst. secretary, treasurer & controller; Owen Fender, v.p. & credit manager; James Church, v.p.-warehousing; Orbin Sexson, v.p.-regional mgr.; Kevin Fitzgerald, v.p.-purchasing; Robert Cawein, v.p.-transportation; David J. Bryant, v.p.-sales promotion manager; Dan W. Maffett, v.p.-general sales manager

Directors: James W. Sweet, chairman; Ray H. Cooney, Dennis W. Stults, Harold W. Taylor, Rolland A. Maxwell, John B. Ellis, Francois Vaxelaire, Sherwin P. Simmons, John M. Miller, P. Scott Linder

Business Activities: Operates a chain of building supply stores in the state of Florida. Stores operate under the name "Scotty's Thrifty" Stores and "Scotty's Surplus Outlets".

Subsidiaries:

Plaid Realty, Inc.
P.O. Box 939
Winter Haven, Florida 33880

Transfer Agent(s):

Morgan Guaranty Trust Company
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: SHB

Number of Stores: (at fiscal year end)

1984	110	1981	83
1983	102	1980	75
1982	99		

Sales and Earnings

	Net Sales	Net Income
1984	$ 424,537,000	$ 18,059,000
1983	358,982,000	11,316,000
1982*	308,013,000	11,095,000
1981	294,433,000	11,081,000
1980	245,879,000	10,564,000

	No. of Com. Shares †	Earn. per Share ‡
1984	13,243,000	$ 1.39
1983	11,902,000	0.98
1982*	9,787,500	1.06
1981	9,559,500	1.15
1980	9,154,500	1.14

* 53 weeks
† Adjusted to reflect stock splits
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.44	—	—
1983	0.40	—	3-for-2
1982	0.37	—	5-for-4
1981	0.29	—	—
1980	0.21	—	—

+ Adjusted to reflect stock splits

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 139,930,000	$ 10.57
1983	112,264,000	9.43
1982	73,638,000	7.52
1981	64,102,000	6.71
1980	53,191,000	5.81

‡ Adjusted to reflect stock splits

Income Account

Year ended	6/30/84	7/2/83
Net sales	$ 424,537,000	$ 358,982,000
Cost of sales	289,788,000	252,040,000
Expenses	96,496,000	80,044,000
Depreciation	6,832,000	6,009,000
Interest expense	2,530,000	2,915,000
Non-operating income	(3,328,000)	(2,571,000)
Income before taxes	$ 32,219,000	$ 20,545,000
Income taxes	14,160,000	9,229,000
Net Income	$ 18,059,000	$ 11,316,000

Assets

As of	6/30/84	7/2/83
Cash & cash equiv	$ 8,111,000	$ 8,701,000
Marketable securities	12,761,000	15,586,000
Accts. receiv., net	18,862,000	16,998,000
*Inventories	69,791,000	62,780,000
Current Assets	$ 109,525,000	$ 104,065,000
#Fixed assets	87,231,000	75,327,000
Other assets	453,000	940,000
Total Assets	$ 197,209,000	$ 180,332,000

Liabilities

Short-term borrowings	$ 1,000	$ 1,000
Long-term debt, curr	2,603,000	1,577,000
Accts. payable & accruals	32,737,000	32,121,000
Income taxes	3,445,000	1,211,000
Curr. Liabilities	$ 38,786,000	$ 34,910,000
Long-term debt	16,083,000	31,526,000
Deferred income taxes	2,410,000	1,632,000
+ Common stock	13,243,000	11,902,000
Add. paid-in capital	54,291,000	40,132,000
Retained earnings	72,396,000	60,230,000
Total Liabilities & Shareholders' Equity	$ 197,209,000	$ 180,332,000

* At lower of cost (LIFO) or market
# Less accumulated depreciation
+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	7.59	5.72
%Net Income to Sales	4.25	3.15
%Net Income to Equity	12.91	10.08
Sales to Inventories	6.08	5.72
Working Capital	$ 70,739,000	$69,155,000
Current Ratio	2.82	2.98
Shareholders' Equity	$139,930,000	$112,264,000

Sears Canada Inc.

(formerly Simpsons-Sears Limited)
(60.5% interest owned by Sears, Roebuck and Co.)

222 Jarvis Street
Toronto, Ontario, Canada M5B 2B8
(416) 362-1711

Officers: C. Richard Sharpe, chairman of the board & chief exec. officer; Michael Bozic, president & chief operating officer; Maurice F. Anderson, v.p.-info. systems; Harold J. Mandel, v.p.-real estate & facilities; David S. Chapman, v.p.-distribution; J.J. Michael Eagan, v.p., secretary & corp. counsel; Frank R. Hammond, v.p.-field sales operations; Robert J. Knox, v.p.-public affairs; Thomas Morris, v.p.-merchandising; Walter G. Pridham, v.p.-corporate planning; Leslie Visosky, v.p.-personnel; Bruce W. McLaren, v.p.-finance, treasurer & comptroller.

Directors: J.C. Barrow, M.F. Belanger, R.J. Collins-Wright, H. Corrigan, W.A. Dimma, M.E. Jones, A.H. Mingay, A. Powis, Philip J. Purcell, C.R. Sharpe, J.M. Tory, W.P. Wilder, James W. Button, W.I. Bass, J.H. Batogowski, M. Bozic, J.P. Galloway.

Business Activities: Operates 74 retail department stores, and 1,356 catalogue sales units in Canada.

Transfer Agent(s):

The Royal Trust Company
Toronto, Ontario
Montreal, Quebec
Calgary, Alberta

Stock Exchange(s): Toronto, Montreal

Ticker Symbol: SSRT, SSRM

Number of Stores: (at fiscal year end)

1984	74	1981	70
1983	73	1980	68
1982	72		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
12/31/84	$ 3,433,686	$ 37,316
12/31/83†	3,314,113	34,586
12/31/82†	3,126,186	26,667
2/3/82	3,129,625	31,937
2/4/81*	2,954,606	50,289

	No. of Com. Shares	Earn. per Share #
12/31/84	87,306,983	$ 0.43
12/31/83†	87,306,983	0.40
12/31/82	87,306,983	0.31
2/3/82	87,306,983	0.37
2/4/81*	87,306,983	0.58

* 53 weeks.
† Unaudited, 52 weeks.
# Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
12/31/84	$0.20	—	—
12/31/83	0.20	—	—
12/31/82	0.20	—	—
2/3/82	0.32	—	—
2/4/81	0.36	—	—

Common Stock Equity

	Total Equity	Equity Per Share
12/31/84	$ 633,458,000	$ 7.26
12/31/83	613,603,000	7.03
12/31/82	596,478,000	6.83
2/3/82	574,783,000	6.58
2/4/81	570,784,000	6.54

Income Account *
(000's)

Year ended	12/31/84	12/31/83†
Net sales	$ 3,433,686	$ 3,314,113
Other income	7,058	8,668
Total income	$ 3,440,744	$ 3,322,781
Cost of sales & expenses	3,205,167	3,121,591
Depreciation	33,622	33,754
Interest expense	128,896	106,317
Misc. taxes	37,252	36,058
Income before taxes	$ 35,807	$ 25,061
Income taxes	8,448	4,000
Eq. in earn. of assoc. cos.	(9,957)	(13,525)
Net Income	$ 37,316	$ 34,586

† Unaudited

Assets
(000's)

As of	12/31/84	12/31/83
Cash	$ 9,611	$ 7,353
Accts. receiv., net	978,492	880,834
*Inventories	613,982	630,712
Prepaid expenses	83,596	65,666
Current Assets	$ 1,685,681	$ 1,584,565
Investments & other assets	66,044	64,747
#Fixed assets	357,372	357,668
Unamort. exp.	16,547	17,173
Total Assets	$ 2,125,644	$ 2,024,153

Liabilities
(000's)

Notes payable	$ 306,522	$ 336,356
Long-term debt, curr	28,530	48,307
Accts. payable	134,598	151,270
Accruals	138,279	124,748
Income & other taxes	62,211	73,971
Note payable	116,397	—
Curr. Liabilities	$ 786,537	$ 734,652
Long-term debt	689,316	657,294
Deferred inc. taxes	16,333	18,[illegible]04
+ Capital stock	271,225	271,[illegible]25
Retained earnings	362,233	342,378
Total Liabilities & Shareholders' Equity	$ 2,125,644	$ 2,024,153

* At lower of approximate cost or net realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	1.04	0.76
%Net Income to Sales	1.09	1.04

% Net Income to Equity	5.89	5.64
Sales to Inventories	5.59	5.25
Working Capital	$899,144,000	$849,913,000
Current Ratio	2.14	2.16
Shareholders' Equity	$633,458,000	$613,603,000

Sears, Roebuck and Co.

Sears Tower
Chicago, Illinois 60684
(312) 875-2500

Officers: Edward R. Telling, chairman of the board & chief exec. officer; Edward A. Brennan, president & chief operating officer; Richard M. Jones, vice chairman of the board & chief financial officer; Henry D. Sunderland, sr. v.p.-corporate administration; Randolf H. Aires, v.p. governmental affairs; William E. Sanders, v.p.-corporate personnel & employee relations; Robert F. Gurnee, v.p. & treasurer; Gene L. Harmon, v.p.-corporate public affairs; Charles W. Harper, v.p. & secretary; Philip M. Knox, Jr., v.p. & corporate general counsel; Robert E. Wood II, v.p.-corporate planning; David P. Norum, v.p.-taxes; John S. Vivian, v.p. & corporate comptroller

Directors: Edward R. Telling*, chairman; William O. Beers*, Edward A. Brennan*, Albert V. Casey, Donald F. Craib, Jr.*, E. Mandell De Windt, Richard M. Jones*, Sybil Collins Mobley, Norma Pace, C. Wesley Poulson*, Nancy C. Reynolds, William I. Bass, Clarence B. Rogers, Jr., Julius Rosenwald II*, Donald H. Rumsfeld, Edgar B. Stern, Jr.*, Robert M. Gardiner*

* Member of the Executive Committee

Areas of Work: The world's largest retailer of general merchandise. Sears distributes broad lines of its own brand name goods through some 2,399 selling locations (including 1,568 independent catalog merchants) located in 50 states, Puerto Rico and Central America. Sears is also engaged in the property-liability and life insurance businesses through the wholly owned Allstate Enterprises, Inc., which is engaged in auto finance, savings and loan, and other businesses. Provides a full-service real estate network through its Coldwell Banker Real Estate Group. The Dean Witter Financial Services Group conducts investment and other financial service activities. Sears has a 40% equity interest in Simpson-Sears Limited which conducts a retail store and catalog order business in Canada. Unconsolidated subsidiaries, owned from 70% to 100%, conduct retail operations in Brazil, Colombia, Mexico, Peru, Venezuela, and Spain.

Acquisition(s):

Dean Witter Financial Services, Inc.
Coldwell Banker & Company

Affiliates:

Simpson-Sears Limited (40% interest)
Toronto, Ontario, Canada

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
Stock Transfer Department
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York, Midwest, Pacific, London, Basel, Geneva, Lausanne, Zurich

Ticker Symbol: S

Number of Stores: (at fiscal year end)

1984	798	1981	854
1983	831	1980	864
1982	851		

Sales and Earnings

	Revenues (000's)	Net Income (000's)
1984	$ 38,828,000	$ 1,455,000
1983	35,883,000	1,342,000
1982	30,020,000	861,000
1981	27,357,000	650,000
1980	25,161,000	610,000

	No. of Com. Shares †	Earn. per Share †
1984	358,000,000	$ 4.01
1983	353,000,000	3.80
1982	350,000,000	2.46
1981	316,000,000	2.06
1980	316,000,000	1.93

† Based on the average number of shares outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.76	—	—
1983	1.52	—	—
1982	1.36	—	—
1981	1.36	—	—
1980	1.36	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1984	$ 10,661,000‡	$ 29.48
1983	9,787,000	27.60
1982	8,812,000	25.08
1981	8,269,000	23.77
1980	7,665,000	24.32

‡ After allowing for preferred stock at a liquidation preference of $100 per share

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Merchandise Group:		
Merchandising	$ 21,671,000	$ 20,439,000
Credit	1,894,000	1,404,000
International	2,943,000	3,246,000
Total Merch. Group	$ 26,508,000	$ 25,089,000
Allstate Group	8,989,000	8,124,000
Coldwell Banker Real Estate Group	826,000	704,000
Sears World Trade	2,496,000	2,108,000
Dean Witter Fin. Serv. Group	189,000	79,000
Corporate and intergroup trans	(180,000)	(221,000)
Total revenues	$ 38,828,000	$ 35,883,000
Costs & expenses	34,752,000	32,416,000
Interest expense	2,523,000	1,701,000
Realized cap. gains	(349,000)	(126,000)
Income before taxes	$ 1,902,000	$ 1,892,000
Income taxes	458,000	571,000
Minority interest	(11,000)	(21,000)
Net Income	$ 1,455,000	$ 1,342,000

* Included in Costs and Expenses, Depreciation $412,400,000 in 1984 and $375,600,000 in 1983

Assets
(000's)

As of Jan 31	1984	1983
Receivables	$ 17,210,000	$ 15,406,300
Investments	17,447,300	15,434,300
#Fixed Assets	4,360,800	3,938,300
*Inventories	4,530,000	3,620,500
Cash & invested cash	1,765,000	1,502,500
Invest. in unconsol. cos	268,400	301,700
Securities purch. under agree. to resell	7,115,900	2,343,000
Trading account securities owned	2,240,700	1,756,400
Other assets	2,134,400	1,873,100
Total Assets	$ 57,072,500	$ 46,176,100

Liabilities
(000's)

Reserve for insur. claim	$ 6,905,800	$ 6,252,800
Short-term borrowings	3,887,300	4,595,600
Long-term debt	9,531,300	7,405,300
Sav. accts. & advances	5,027,400	4,319,800
Unearned revenue	3,133,800	2,918,600
Accts. pay. & other liab	4,914,300	3,806,100
Securities sold under repurch. agree	6,527,700	3,106,900
Deferred inc. taxes	2,197,800	2,054,800
Pay. to brokerage clients	1,650,000	1,400,800
Unpurch. securities	2,386,200	528,500
+ Preferred stock	250,000	—
+ + Common stock	276,100	271,400
Add. paid-in capital	1,430,900	1,245,500
Retained earnings	9,038,600	8,231,300
Treasury stock	(119,300)	(133,000)
Unreal. cap. gains on eq. sec	152,300	254,000
Cum. trans. adjust	(117,700)	(82,300)
Total Liabilities & Shareholders' Equity	$ 57,072,500	$ 46,176,100

# Less accumulated depreciation
* At lower of cost (LIFO) or market. Foreign inventories at FIFO
+ $1 par value
+ + $0.75 par value

Statistical Summary

% Income bef. Taxes to Revenues	4.90	5.27
% Net Income to Revenues	3.75	3.74
% Net Income to Equity	13.34	13.71
Shareholders' Equity	$10,910,900,000	$9,786,900,000

Seaway Food Town, Inc.

1020 Ford Street
Maumee, Ohio 43537
(419) 893-9401

Officers: Wallace D. Iott, president; Waldo E. Yeager, sr. v.p.-finance & treasurer; David J. Walrod, sr. v.p. operations; David A. Katz, secretary

Directors: Wallace D. Iott, chairman; Paul Pope, Richard G. Hesdt, Thomas M. O'Donnell, Robert J. Kirk, Edwin Z. Singer, Frank D. Instone, David A. Katz

Business Activities: Operates a chain of food stores located in northwest and central Ohio and southeast Michigan under the name Food Town Supermarkets and Kash 'N Karry

Subsidiaries:

Northern Distributing Co.
V.F., Inc.
Gruber's Food Town, Inc.
Tracy & Avery Food Town, Inc.
Fjord Properties, Inc.
Second Fjord Properties, Inc.
Third Fjord Properties, Inc.
Third Fjord Properties Community Urban Redevelopment Corporation
Fifth Fjord Properties, Inc.
Fifth Fjord Properties of Ohio, Inc.
Seaway Properties, Inc.

All at
1020 Ford Street
Maumee, Ohio 43537
(419) 893-9401

Baldut Bakery Division
915 Kingsbury Street
Maumee, Ohio 43537

Buckeye Specialties Division
2145 Tedrow Street
Toledo, Ohio 43614

Transfer Agent(s):

First National Bank of Toledo
Toledo, Ohio

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SEWY (NASDAQ)

Seaway Food Town, Inc.

Number of Stores: (at fiscal year end)

1984	73	1981	70
1983	73	1980	55
1982	73		

Sales and Earnings

	Net Sales	Net Income
1984*	$ 466,020,000	$ 1,691,000
1983	472,323,000	3,431,000
1982	455,446,000	4,049,000
1981	428,510,000	5,203,000
1980	357,112,740	4,587,446

	No. of Com. Shares	Earn. per Share #
1984*	2,185,063	$ 0.77
1983	2,177,476	1.58
1982	2,191,158	1.85
1981	2,193,859	2.37
1980	2,199,729	2.09

* 53 weeks
# Based on the average number of shares outstanding adjusted to reflect stock split

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$0.68		—
1983	0.64	—	— —
1982	0.60	—	
1981	0.54		4-for-3
1980	0.48		—

‡ Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 37,465,000	$ 17.15
1983	38,026,000	17.46
1982	35,903,000	16.39
1981	33,467,000	15.20
1980	29,340,000	13.42

Based on the average number of shares outstanding adjusted to reflect stock split

Income Account *

Year ended	9/29/84	9/24/83
Net sales	$ 466,020,000	$ 472,323,000
Cost of sales	361,940,000	372,094,000
Expenses	99,921,000	93,258,000
Other income	(2,191,000)	(1,838,000)
Interest expense	4,034,000	3,748,000
Income before taxes	$ 2,316,000	$ 5,061,000
Income taxes	625,000	1,630,000
Net Income	$ 1,691,000	$ 3,431,000

* Included in Costs and Expenses: Depreciation and Amortization: $8,631,000 in 1984 and $8,033,000 in 1983

Assets

As of	9/29/84	9/24/83
Cash	$ 6,255,000	$ 6,654,000
Marketable secur.	7,600,000	4,200,000
Accts. & notes receiv., net	2,426,000	5,855,000
*Inventories	27,061,000	30,182,000
Prepaid expenses	1,770,000	1,386,000
Current Assets	$ 45,112,000	$ 48,277,000
Other assets	3,950,000	4,636,000
#Fixed assets	64,820,000	62,407,000
Total Assets	$ 113,882,000	$ 115,320,000

Liabilities

Long-term debt, curr.	$ 1,729,000	$ 1,665,000
Accts. payable	25,949,000	28,386,000
Accruals	5,903,000	6,031,000
Income taxes	1,072,000	666,000
Curr. Liabilities	$ 34,653,000	$ 36,748,000
Long-term debt	36,930,000	36,376,000
Deferred inc. taxes	4,834,000	4,170,000
+ Common stock	4,268,000	4,388,000
Add. paid-in capital	1,025,000	913,000
Retained earnings	32,172,000	32,725,000
Total Liabilities & Shareholders' Equity	$ 113,882,000	$ 115,320,000

* Meat and produce inventories at lower of cost (FIFO) or market; other inventories at lower of cost (LIFO) or market
# Less accumulated depreciation and amortization
+ No par value

Statistical Summary

% Income bef. Taxes to Sales	0.49	1.07
% Net Income to Sales	0.36	0.72
% Net Income to Equity	4.51	9.02
Sales to Inventories	17.22	15.64
Working Capital	$10,459,000	$11,529,000
Current Ratio	1.30	1.31
Shareholders' Equity	$37,465,000	$38,026,000

Seligman & Latz, Inc.

1133 Sixth Avenue
New York, New York 10036
(212) 397-6700

Officers: John S. Kubie, chairman of the board & chief executive officer; Malcolm A. Seligman, vice chairman; Richard W. Hart, president & chief operating officer; Irving M. Hird, senior executive v.p. & treasurer; Stephen L. Singer, sr. exec. v.p.; president and chief exec. officer - Finlay Fine Jewelry; Arthur E. Fabricant, exec. v.p. & managing director - International; Richard L. Muney, exec. v.p. - Finlay Fine Jewelry; David W. Smith, exec. v.p.; president & chief exec. officer - Domestic Salons; Amy S. Tenney, secretary & general counsel; Adrien Arpel, director - Fashion, Beauty & Cosmetic Services, president - Adrien Arpel Cosmetics & Facial Services; Donovan H. Larsen, sr. v.p.; exec. v.p. - Finlay Fine Jewelry; Norman Potash, exec. v.p. & controller; Richard Salzer, sr. v.p.; Jules D. Walder, sr. v.p.; exec. v.p. - Domestic Salons; Kenneth Beer, v.p. - information systems; Joan Breibart; Howard F. Schiller, v.p.; Allan Corn, v.p. - controller - Finlay Fine Jewelry; Alan D. Jaffee, v.p.; sr. v.p. - Domestic Salons; Donald A. Kubie, Jr., v.p.; sr. v.p. - Domestic Salons; Jane Holcomb, v.p. - payroll; Jeffrey Glassman, v.p., controller - Domestic Salons; Kermit Marcus, v.p. - taxes; Robert Casaletto, asst. treasurer

Directors: John S. Kubie, Malcolm A. Seligman, Irving M. Hird, Arthur E. Fabricant, Stephen R. Frank, Walter Mendelsohn, Irwin W. Smith, Alan M. Sternlieb, Jane Trahey, Barbara Latz Unger, David W. Smith

Business Activities: Operates leased fine jewelry departments; distributes and retails beauty and skin care products and services; operates beauty salons in department stores in the United States and throughout the world

Divisions:

Beauty Division

Adrien Arpel
666 Fifth Avenue
New York, New York 10103
(212) 887-9700

Operates beauty salons in department stores plus Adrien Arpel skin care clinics and boutiques in the U.S. and 8 foreign countries

Finlay Fine Jewelry Division
521 Fifth Avenue
New York, New York 10017
(212) 551-8300

Transfer Agent(s):

The Bank of New York
90 Washington Street
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: SAL

Number of Leased Jewelry Depts: (at fiscal year end)

1984	460	1981	440
1983	N.A.	1980	406
1982	N.A.		

N.A. Not Available

Sales and Earnings

	Revenues	Net Income
1984	$ 342,110,000	$ (2,190,000)
1983	323,702,000	5,450,000
1982	304,007,000	1,671,000
1981	293,677,000	1,109,000
1980	268,064,000	1,620,000

	No. of Com. Shares	Earn. per Share #
1984	2,177,624	$
1983	2,160,256	2.53
1982	2,157,386	0.77
1981	2,156,240	0.51
1980	2,156,240	0.75

( ) Loss
Based on weighted average number of common shares and common share equivalents outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.30	—	—
1983	0.60	—	—
1982	0.60	—	—
1981	0.90	—	—
1980	0.90	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 33,409,000	$ 15.34
1983	36,668,000	16.97
1982	33,103,000	15.34
1981	32,712,000	15.17

Income Account *

Year ended Oct. 31	1984	1983
Revenues	$ 342,110	$ 323,702
Cost of sales & services	270,669	249,042
Expenses	69,300	61,680
Other charges	5,431	2,630
Income (loss) before taxes	$ (3,290)	$ 10,350
Income taxes (credit)	(1,100)	4,900
Net Income (Loss)	$ (2,190)	$ 5,450

* Included in Costs and Expenses: Depreciation and Amortization: $6,168,000 in 1984 and $5,409,000 in 1983

Assets
(000's)

As of Oct. 31	1984	1983
Cash	$ 4,414	$ 4,235
Receiv., net	17,256	19,001
Accounts receiv., net	919	1,405
Other receivables	2,945	1,004
*Inventories	34,648	34,790
Prepaid expenses & other curr. assets	2,649	3,129
Deferred inc. taxes	69	1,425
Current Assets	$ 62,900	$ 64,989
#Fixed assets	35,523	32,515
Defer. charges & other assets	2,676	1,816

Intangibles	4,804	4,806
Total Assets	$ 105,903	$ 104,126

Liabilities
(000's)

Short-term notes payable	$ 19,000	$ 3,000
Long-term debt, curr	4,056	4,408
Accts payable	17,885	18,651
Accruals	12,730	12,115
Income taxes	549	2,934
Curr Liabilities	$ 54,220	$ 41,108
Long-term debt	16,604	21,318
Deferred inc taxes	855	3,923
Accrued pensions & reserve for benefits	815	1,109
+ Common stock	2,217	2,204
Add paid in capital	11,891	11,728
Retained earnings	20,815	23,653
Cum trans adjust	(1,248)	(626)
Treasury stock	(266)	(291)
Total Liabilities & Shareholders' Equity	$ 105,903	$ 104,126

* At lower of cost (LIFO or FIFO) or market
# Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

% Income bef Taxes to Revenues	—	3 20
% Net Income to Revenues	—	1 68
% Net Income to Equity	—	14 86
Working Capital	$ 8,680,000	$23,881,000
Current Ratio	1 16	1 58
Shareholders' Equity	$33,409,000	$36,668,000

Service Merchandise Company, Inc.

2968 Foster Creighton Drive
P O Box 24600
Nashville, Tennessee 37202
(615) 251-6666

Officers: Raymond Zimmerman, chairman of the board, president & chief exec officer, Howard L Levy, executive v p , Richard L Schenk, v p -finance, secretary & chief financial officer, Robert Mitchell, sr v p -human resources and administration, John R Isaac, Jr , sr v p & president-catalog showroom division

Directors: Harry Zimmerman, Raymond Zimmerman, Mary K Zimmerman, R Maynard Holt, Charles V Moore, Richard P Crane, Jr , Howard L Levy, James E Poole

Business Activities: Catalog merchandising company operating merchandise showrooms in 27 states Engaged in the sale of a broad line of jewelry, diamonds and nationally advertised brand-name hardgoods merchandise such as housewares, small appliances, giftware, silverware, cameras, luggage, radios, televisions, and other home electronic equipment and accessories, toys, sporting goods, and home and garden equipment

Subsidiaries:

Computer Shoppes, Inc
Specialty computer business operating 10 retail outlets in Nashville on the basis of consultive selling

The Lingerie Store
Comprised of 10 Tennessee outlets selling name brand lingerie and sleepwear

Zimm's
Jewelry and giftware sold through two stores in Nashville, Tennessee

Mr How Warehouse, Inc
Retail home improvement warehouse operation serving do-it-yourself customers in the building supply market through 12 stores in south Florida

Transfer Agent(s):
Third National Bank
Nashville, Tennessee 37219

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SMCH (NASDAQ)

Number of Stores: (at fiscal year end)

1985	183	1982	116
1984	158	1981	115
1983	139		

Sales and Earnings

	Net Sales	Net Income
12/29/84	$1,656,992,000	$ 44,576,000
12/31/83	1,458,098,000	44,869,000
1/1/83	1,195,283,000	31,569,000
1/2/82	1,027,093,000	23,069,000
1/3/81	865,017,000	20,389,000

	No of Com Shares +	Earn per Share +
12/29/84	32,492,000	$ 1 46
12/31/83	30,126,000	1 49
1/1/83	29,000,000	1 20
1/2/82	25,324,000	0 91
1/3/81	25,324,000	0 81

+ Based on the weighted average number of shares outstanding adjusted to reflect stock split

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
12/29/84	$ 08	—	—
12/31/83	0775	—	2-for-1
1/1/83	07	—	—
1/2/82	07	—	—
1/3/81	07	—	—

† Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share +
12/19/84	$ 308,595,000	$ 9 50
12/31/83	251,971,000	8 36
1/1/83	205,332,000	7 08
1/2/82	142,194,000	5 61
1/3/81	120,897,000	4 77

+ Based on the weighted average number of shares outstanding adjusted to reflect stock split

Income Account

Year ended	12/29/84	12/31/83
Net Sales	$1,656,992,000	$1,458,098,000
Cost of sales	1,255,520,000	1,118,122,000
Expenses	275,585,000	221,617,000
Depreciation & amortization	25,025,000	18,352,000
Other income	(4,819,000)	(5,511,000)
Interest expense	21,015,000	17,985,000
Income before taxes	$ 84,666,000	$ 87,533,000
Income taxes	40,090,000	42,664,000
Net Income	$ 44,576,000	$ 44,869,000

Assets

As of	12/29/84	12/31/83
Cash	$ 90,136,000	$ 188,502,000
Acct receiv , net	17,925,000	10,080,000
*Inventories	438,357,000	346,695,000
Prepaid expenses	14,666,000	10,294,000
Current Assets	$ 561,084,000	$ 555,571,000
#Fixed assets	289,300,000	191,695,000
Other assets & defer charges	16,404,000	8,803,000
Total Assets	$ 866,788,000	$ 756,069,000

Liabilities

Long-term debt, curr	$ 7,643,000	$ 5,301,000
Cap leases, curr	6,448,000	6,419,000
Acct payable	230,600,000	233,040,000
Accruals	99,425,000	73,651,000
Income taxes	24,225,000	29,269,000
Curr Liabilities	$ 368,341,000	$ 347,680,000
Long-term debt	111,294,000	73,830,000
Cap lease oblig	73,725,000	80,319,000
Deferred income taxes	4,833,000	2,269,000
+ Common stock	16,246,000	15,063,000
Add paid-in capital	68,703,000	48,980,000
Retained earnings	230,040,000	187,928,000
Treasury stock	(6,394,000)	—
Total Liabilities & Shareholders' Equity	$ 866,788,000	$ 756,069,000

* At lower of cost (FIFO) or market
# Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

% Income bef Taxes to Sales	5 11	6 00
% Net Income to Sales	2 69	3 08
% Net Income to Equity	14 44	17 81
Sales to Inventories	3 78	4 21
Working Capital	$192,743,000	$207,891,000
Current Ratio	1 52	1 60
Shareholders' Equity	$308,595,000	$251,971,000

The Sherwin-Williams Company

101 Prospect Avenue, N W
Cleveland, Ohio 44115
(216) 566-2000

Officers: J G Breen, chairman of the board, president & chief executive officer, T A Commes, sr v p -finance, F T Krotine, sr v p -corporate research & development, W B Eldredge, group v p , A D Childs, v p , general counsel & corporate secretary, A D Maine, v p -human resources, R A Tschannen, v p -facilities & administrative services, J E Wallace, v p -corporate controller, T R Miklich, treasurer, Francis C Piccirillo, director of taxes & asst secretary, Conway A Ivy, v p -corp planning & development

Directors: J G Breen, chairman, J A Attwood, K S Benson, D W Calloway, T A Commes, W J DeLancey, R C Doban, A C Holmes, J R Killpack, W G Mitchell, R E Schey

Business Activities: Manufacturer and marketer of consumer and industrial coatings, specialty chemicals, containers and paint sundries The Company owns a nationwide chain of 1,535 Sherwin-Williams paint and wallpaper stores and approximately 423 drug stores operating under Gray and Drug fair names in 10 states

Divisions and Subsidiaries:

Consumer Division
Automotive Aftermarket Division
Chemical Coatings Division
Chemicals Division

Sherwin-Williams do Brasil Industria e
Comercio Ltda
Sao Paulo, Brazil

The Sherwin Williams Canada, Inc
Montreal, Quebec, Canada

Rubberset Company Canada (1980) Inc
Toronto, Ontario, Canada

Sherwin-Williams (Caribbean) N V
Curacao

Sherwin-Williams (West Indies) Limited
Kingston, Jamaica

The Sherwin-Williams Company

Compania Sherwin-Williams S.A. de C.V.
Mexico City, D.F., Mexico

Sherwin-Williams Cayman Islands Ltd.
Grand Cayman

The Sherwin-Williams Co. Resources Ltd.
Kingston, Jamaica

Sherwin-Williams (Barbados) Ltd.
Bridgetown, Barbados

Sherwin-Williams Development Corp.
Contract Transportation Systems Co.
GDF, Inc.

Gray DrugFair, Inc.

Gray Drug Stores, Inc.
666 Euclid Avenue
Cleveland, Ohio 44114
(216) 696-2070

Drug Fair, Inc.

Contract Transportation Systems Co.
The Marshall Drug Company
GOF, Inc.
Drug Way Stores, Inc.
Drug Fair of Pa., Inc.
CTS Brokerage, Inc.
Calumet Paint Company

Joint Ventures:

FSW Coatings, Limited
FSW Paints Ltd.
Dublin, Ireland

Nippon Sherwin-Williams Chemicals Co., Ltd.
Osaka, Japan

Sherwin-Williams de Panama, S.A.
Panama City, Panama

Sherwin-Williams del Ecuador Fabrica National de Pinturas, S.A.
Guayaquil, Ecuador

BAPCO
Toronto, Canada

Sherwin-Williams Saudi Arabia Ltd.
Jeddah, Saudi Arabia

Transfer Agent(s):

The AmeriTrust Company
Cleveland, Ohio

Stock Exchange(s): New York

Ticker Symbol: SHW

Number of Stores: (at fiscal year end)

1984	1,958	1981	1,800
1983	1,819	1980	1,430
1982	1,748		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 2,075,194	$ 65,006
1983	1,973,485	55,412
1982	1,851,776	42,931
1981	1,536,807	31,385
1980	1,263,721	24,864

	No. of Com. Shares ‡‡	Earn. per Share +
1984	22,924,824	$ 2.84
1983	23,819,619	2.32
1982	20,903,326	2.02
1981	19,817,338	1.53
1980	19,535,216	1.22

‡‡ Based on the average namber shares of common stock outstanding adjusted to reflect stock splits.

+ Based on the average number of shares outstanding after adjusting net income for dividend requirements of preferred stock adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.76	—	—
1983	0.60	—	—
1982	0.50	—	2-for-1
1981	0.40	—	—
1980	0.30	—	2-for-1

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 404,140,000	$ 17.94
1983	369,920,000†	16.24
1982	333,539,000†	15.19
1981	284,029,000†	14.34
1980	262,963,000†	13.38

† After allowing for preferred stock at aggregate involuntary liquidation.

Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 2,075,194	$ 1,973,485
Cost of sales	1,352,800	1,306,712
Expenses	599,115	557,643
Interest expense	16,534	17,385
Interest income	(12,419)	(10,361)
Other expense	3,058	894
Income bef. taxes	$ 116,106	$ 101,212
Income taxes	51,100	45,800
Net Income	$ 65,006	$ 55,412

* Included in Costs and Expenses, Depreciation and Amortization: $24,919,000 in 1984 and $24,220,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & Short-term invest.	$ 166,233	$ 160,407
Accts. receiv., net	157,486	141,356
*Inventories	337,773	331,905
Other	48,020	42,866
Current Assets	$ 709,512	$ 676,534
#Fixed assets	221,145	198,883
Other assets	73,739	64,426
Total Assets	$ 1,004,396	$ 939,843

Liabilities
(000's)

Long-term debt, curr.	$ 11,760	$ 13,089
Accts. payable	183,938	161,953
Accruals	97,098	90,486
Compensation & withholding	48,726	50,913
Accrued taxes	23,737	20,418
Curr. Liabilities	$ 365,259	$ 336,859
Long-term debt	168,878	175,307
Other long-term liability	36,630	30,638
Deferred income taxes	29,489	26,069
+ Preferred stock		386
+ + Common stock	25,852	158,364
Add. paid-in capital	145,402	6,220
Retained earnings	305,175	257,527
Foreign curr. translation adj.	(12,530)	(11,741)
Treasury stock	(59,759)	(39,786)
Total Liabilities & Shareholders' Equity	$ 1,004,396	$ 939,843

* At lower of cost (LIFO) or market.

Less accumulated depreciation and amortization.

+ No par value.

+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.59	5.13
%Net Income to Sales	3.13	2.81
%Net Income to Equity	16.09	14.94
Sales to Inventories	6.14	5.95
Working Capital	$344,253,000	$339,675,000
Current Ratio	1.94	2.01
Shareholders' Equity	$404,140,000	$370,970,000

Shop & Go, Inc.

P.O. Box 428
Mango, Florida 33550
(813) 689-8161

Officers: Robert A. Jaeb, chairman of the board, president & executive officer; Lorena Jaeb, exec. v.p., treasurer & asst. secretary; John Jaeb, v.p.-real estate & development; Jerry B. Wilson, v.p.-administration & secretary; Robert Garrett, Rex Roberts, v.p.'s-real estate; John C. McLaughlin, sr. v.p. & chief financial officer.

Directors: Robert A. Jaeb*, Lorena Jaeb*, Sherwin P. Simmons, Harry H. Root, Jr., Jerry B. Wilson, John R. Jaeb*, John C. McLaughlin

* Member of the Executive Committee.

Business Activities: Operates self-service convenience food stores throughout central Florida and southern Georgia under the name "Shop & Go". Gasoline is offered for sale on a self-service at 268 of the Company's store locations.

Subsidiaries:

Gem Petroleum, Inc.

Transfer Agent(s):

Barnett Bank Trust Co., N.A.
P.O. Box 2507
Jacksonville, Florida 32231

Stock Exchange(s): Over-the-counter

Ticker Symbol: SHGO (NASDAQ)

Number of Stores: (at fiscal year end)

1984	446	1981	412
1983	430	1980	381
1982	405		

Sales and Earnings

	Net Sales	Net Income
1985	$ 293,186,843	$ 10,205,000
1984	252,358,595	8,944,000
1983	200,250,738	6,421,000
1982	167,868,996	6,251,000
1981	122,420,482	4,954,000

	No. of Com. Shares #	Earn. per Share #
1985	10,097,166	$ 1.01
1984	10,097,166	0.89
1983	10,097,166	0.64
1982	10,076,832	0.62
1981	10,062,738	0.49

Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1985	1984
Sales & revenues:		
Convenience store oper.	$ 185,033,000	$ 160,051,000
Convenience from video games	551,000	790,000

Vending of gasoline		
Net gasoline sales	109,038,000	93,144,000
Rentals based on gas sales	246,000	198,000
Total	$ 294,868,000	$ 254,183,000

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1985	$0.18		3-for-2
1984	0.15	–	
1983	0.13		
1982	0.11	—	3-for-2
1981	0.08	—	

‡ Adjusted to reflect stock splits

Common Stock Equity

	Total Equity	Equity Per Share #
1985	$ 48,036,316	$ 4.76
1984	39,653,155	3.93
1983	32,257,515	3.19
1982	27,183,093	2.70
1981	21,883,517	2.17

Based on the weighted average number of shares outstanding adjusted to reflect stock splits

Income Account

Year ended March 31	1985	1984
Net sales	$ 293,186,843	$ 252,358,595
Other income	1,681,454	1,824,344
Total Income	$ 294,868,297	$ 254,182,939
Cost of sales	220,421,252	190,810,926
Expenses	49,159,048	41,786,655
Depreciation & amortization	5,776,278	4,535,276
Interest expense	894,346	490,482
Income before taxes	$ 18,617,373	$ 16,559,600
Income taxes	8,412,541	7,615,692
Net Income	$ 10,204,832	$ 8,943,908

Assets

As of March 31	1985	1984
Cash	$ 2,884,043	$ 3,409,943
Receiv., net	944,280	757,890
*Inventories	11,055,271	9,047,034
Prepaid expenses	317,357	297,308
Current Assets	$ 15,200,951	$ 13,512,175
Prop. under cap. leases	889,307	1,139,581
#Fixed assets	60,495,955	51,048,671
Other assets	5,324,220	5,305,101
Total Assets	$ 81,910,433	$ 71,005,528

Liabilities

Long-term debt, curr	$ 1,635,666	$ 1,035,858
Accts. payable	11,125,798	9,655,646
Cap. lease oblig., curr	218,252	254,809
Accrued payroll	844,410	797,671
Income taxes	497,050	1,314,933
Other taxes	3,822,237	3,041,960
Other liabilities	1,746,764	1,401,250
Curr. Liabilities	$ 19,890,177	$ 17,502,127
Long-term debt	9,559,461	9,931,594
Cap. lease oblig.	1,104,578	1,364,074
Deferred inc. taxes	3,319,901	2,554,578
+ Common stock	102,253	68,597
Add. paid-in capital	4,945,469	4,983,288
Retained earnings	44,109,460	35,722,136
Treasury stock	(1,120,866)	(1,120,866)
Total Liabilities & Shareholders Equity	$ 81,910,433	$ 71,005,528

* At estimated cost (LIFO). Gasoline inventories at lower of cost (FIFO) or market.

# Less accumulated depreciation and amortization

+ $0.01 par value

Statistical Summary

%Income bef. Taxes to Sales	6.35	6.56
%Net Income to Sales	3.48	3.54
%Net Income to Equity	21.24	22.56
Sales to Inventories	26.52	27.89
Shareholders' Equity	$48,036,316	$39,653,155

Shopwell, Inc.

400 Walnut Avenue
Bronx, New York 10454
(212) 579-3400

Officers: Martin Rosengarten, chairman of the board, president & chief executive officer; Jay M. Rosengarten, exec. v.p. & chief financial and administrative officer; Glen Rosengarten, exec. v.p. & chief operating officer; Alan H. Olstein, v.p.-sales & merchandising; David Smithies, v.p.-human resources; Stuart Spivak, v.p. & controller; Lawrence R. Buxbaum, v.p.-real estate & secretary; Abraham Laxer, v.p.-advertising; Paul Farro, v.p.-labor relations; Robert Klanfer, v.p.-planning and corporate systems; Louis Ruggiero, v.p.-shopwell division.

Directors: Herbert B. Daitch*, Walter Feldesman*, Arthur I. Meyer, Martin Rosengarten*, Fred Siegel*, John L. Procope*, Ted Petrillo*, Glen Rosengarten*, Jay M. Rosengarten*, Albert G. Lowenthal, Stephen E. Miron, Arthur I. Meyer

* Member of the Executive Committee

Business Activities: Operates a chain of conventional department supermarkets. Stores operate under the name of Daitch-Shopwell Supermarkets. Shopwell Supermarkets and Daitch Dairy Stores are located in the metropolitan New York area, Westchester, Rockland, Putnam and Nassau Counties in New York State and Connecticut. In addition, the Company operates a convenience store and a Shopwell package store.

Divisions:

Daitch-Shopwell Supermarkets
Shopwell Supermarkets
Daitch Dairy Stores
Shop Quik Convenience Stores
Shopwell Plaza
Shopwell Package Store
Delaware County Dairies

All at:
400 Walnut Avenue
Bronx, New York 10454
(212) 665-6200

Transfer Agent(s):

American Stock Transfer Company

Stock Exchange(s): American

Ticker Symbol: SH

Number of Stores: (at fiscal year end)

1984	58	1981	68
1983	65	1980	69
1982	N.A.		

N.A.-Not available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 557,156,768	$ (1,547,692)
1983	511,936,396	1,799,454
1982	477,050,273	4,206,204
1981	433,133,258	1,216,835
1980*	384,559,335	1,124,940

	No. of Com. Shares ‡	Earn. per Share ‡
1984	1,645,032	$ —
1983	1,543,333	1.17
1982	1,317,188	3.19
1981	1,317,908	0.92
1980*	1,465,984	0.77

(Loss)

* 53 weeks.

‡ Based on the average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.16	—	—
1983	0.16	—	—
1982	0.109	10%	—
1981	0.091	—	—
1980	0.091	—	—

+ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 29,863,861	$ 17.97
1983	31,599,565	19.72
1982	22,787,436	17.30
1981	18,739,380	14.22
1980	17,642,355	13.39

‡ Adjusted to reflect stock dividend.

Income Account *

Year ended	12/29/84	12/31/83
Net sales	$ 557,156,768	$ 511,936,396
Cost of sales	460,709,744	426,255,831
Expenses	90,498,578	80,284,113
Other income	(579,251)	(651,871)
Interest expense	5,235,901	4,264,869
Res. for insur. claims	700,000	—
Income before taxes	$ 591,796	$ 1,783,454
Income taxes (credit)	203,000	(16,000)
Inc.-cont. oper.	$ 388,796	$ —
Loss-discont. oper.	(1,936,488)	—
Net Income (Loss)	$ (1,547,692)	$ 1,799,454

* Included in Costs and Expenses, Depreciation and Amortization: $8,041,463 in 1984 and $7,267,098 in 1983.

Assets

As of	12/29/84	12/31/83
Cash & short-term invest	$ 4,901,675	$ 2,259,878
Accts. receiv., net	10,980,978	8,878,376
*Inventories	31,778,004	28,413,968
Prepaid expenses	2,698,967	2,858,962
Current Assets	$ 50,359,624	$ 42,411,184
#Fixed assets	56,401,585	54,959,555
Other assets	1,937,897	859,830
Total Assets	$ 108,699,106	$ 98,230,569

Liabilities

Long-term debt, curr.	$ 5,677,177	$ 4,794,896
Accts. payable & accruals	30,920,108	23,426,975
Taxes payable	2,558,826	2,330,700
Other liabilities	769,992	—
Curr. Liabilities	$ 39,926,103	$ 30,552,571
Long-term debt	37,217,679	32,680,970
Other liabilities	300,000	—
Deferred inc. taxes	1,391,463	3,397,463
+ Common stock	981,224	981,224
Add. paid-in capital	14,847,771	14,526,771
Retained earnings	16,587,062	18,398,302
Treasury stock	(1,922,732)	(2,306,732)
Restricted common stock grants	(629,464)	—
Total Liabilities & Shareholders' Equity	$ 108,699,106	$ 98,230,569

* Warehouse inventories at lower of cost (weighted average method) or market; store inventories at lower of cost (FIFO) or market, determined by retail method.

# Less accumulated depreciation.

+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	0.35
%Net Income to Sales	—	0.35
%Net Income to Equity	—	5.69

Shopwell, Inc.

Sales to Inventories	17.53	18.02
Working Capital	$10,433,521	$11,858,613
Current Ratio	1.26	1.39
Shareholders' Equity	$29,863,861	$31,599,565

Simco Stores, Inc.

385 Gerard Avenue
Bronx, New York 10451
(212) 292-7777

Officers: Joseph C. Warner, president; Bert K. Bergenfield, v.p.-finance/administration and secretary; Stephen E. Hersh, v.p.-merchandising; Michael Maugeri, asst. v.p.-warehouse and traffic control; Gary Cohen, asst. v.p.-merchandise distribution; Martin Reynolds, asst. v.p.-store operations; Rosalie Licata, asst. v.p.-merchandise accessories; Morris Cardone, asst. v.p.-store planning & construction; John J. Valluzzi, asst. v.p.-store operations.

Directors: Joseph C. Warner, Walter W. Oberstebrink, Neil B. Padron, Alan L. Wechsler, Bert K. Bergenfield.

Business Activities: A chain of shoe stores located primarily in the Metropolitan New York City area specializing in popular-priced footwear, handbags, hosiery, and related items for women and teen-aged girls. Stores are also located in three states.

Transfer Agent(s):

American Transfer Company
99 Wall Street
New York, New York 10004

Stock Exchange(s): American

Ticker Symbol: SSM

Number of Stores: (at fiscal year end)

1984	25	1981	27
1983	28	1980	27
1982	28		

Sales and Earnings

	Net Sales	Net Income
1984	$ 9,239,038	$ (684,763)
1983	10,216,648	(4,091)
1982	11,137,538	433,796
1981*	10,383,201	422,948
1980	10,064,298	652,971

	No. of Com. Shares #	Earn. per Share #
1984	1,253,649	$ —
1983	1,253,649	—
1982	1,253,649	0.35
1981*	1,253,649	0.34
1980	1,253,649	0.52

(Loss)
* 53 weeks
# Based on the average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.125	—	—
1983	0.25	—	—
1982	0.25	—	—
1981	0.25	—	—
1980	0.25	3%	—

+ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 5,478,648	$ 4.37
1983	6,374,086	5.08
1982	6,605,772	5.27
1981	6,455,192	5.15
1980	6,377,317	5.09

‡ Based on the average number of shares outstanding adjusted to reflect s[illegible]k dividend.

Income Account *

Year ended	7/28/84	7/30/83
Net sales	$ 9,239,038	$ 10,216,648
Cost of sales	4,895,168	4,900,403
Expenses	4,442,259	4,350,784
Depreciation & amortization	248,365	215,502
Rent & occupancy tax	1,193,189	1,048,180
Other income	(344,180)	(247,732)
Loss before taxes	$ (1,195,763)	$ (50,489)
Tax credit	(511,000)	(46,398)
Net Loss	$ (684,763)	$ (4,091)

Assets

As of	7/28/84	7/30/83
Cash	$ 232,238	$ 753,165
*Inventories	2,669,781	3,101,586
Income taxes	633,342	257,575
Insurance claims receivable	262,890	—
Prepaid exp. & other assets	144,195	159,698
Current Assets	$ 3,942,446	$ 4,272,024
Invest[illegible]ents	186,300	440,968
#Fix[illegible]ssets	2,363,158	2,211,718
Other assets	140,836	159,722
Total Assets	$ 6,632,740	$ 7,084,432

Liabilities

Notes payable	$ 200,000	$ —
Cap. lease oblig., curr.	17,482	16,799
Accts. payable	501,654	212,666
Accruals	183,340	234,540
Curr. Liabilities	$ 902,476	$ 464,005
Security deposits	54,567	50,451
Deferred income taxes	18,641	—
Cap. lease oblig.	178,408	195,890
+ Common stock	663,117	663,117
Add. paid-in capital	1,728,993	1,728,993
Net unreal. loss	(182,091)	(128,123)
Retained earnings	3,544,621	4,386,091
Treasury stock	(275,992)	(275,992)
Total Liabilities & Shareholders' Equity	$ 6,632,740	$ 7,084,432

*At lower of cost on the FIFO basis, or market as determined by a retail method.
Less accumulated depreciation.
+ $0.50 par value

Statistical Summary

Sales to Inventories	3.46	3.29
Working Capital	$3,039,970	$3,808,019
Current Ratio	4.37	9.21
Shareholders' Equity	$5,478,648	$6,374,086

The Singer Company

8 Stamford Forum
P.O. Box 10151
Stamford, Connecticut 06904
(203) 356-4200

Officers: Joseph B. Flavin, chairman of the board & chief executive officer; William F. Schmied, president & chief operating officer; Leonard Fischer, group v.p.-North American Consumer Products Group; Robert J. Lynch, sr. v.p.-corporate administration; Neil J. Morrow, group v.p.-International Group; F. Gordon Bitter, sr. v.p.-chief financial officer and controller; Terry W. Heil, group v.p.-government products group; Paul D. O'Connor Jr., sr. v.p. and general counsel; vice presidents: Patricio H. Andrade-Marin, Leo G. Blatz, L. John Clark, John J. Brett-Kearfott Division, Maurice Center-Librascope Division; Thomas L. Elliott, Jr., corporate relations; Austin J. Greene, general tax counsel; Charles F. Keffer, Education Division; Larry F. Neely, Meter Products Division; Ernest J. Szilagyi, planning; William D. Turner, Link Flight Simulation Division; Ronald E. Bish, v.p.-Controls Division; Robert J. Aebli, v.p.-Link Simulation Systems Div.; John L. Duncan, v.p.-Motor Products Div.; Stephen H. Goodman, treasurer; Ralph K. Kessler, secretary and assistant general counsel; Phillip A. Watson, v.p. and assistant general counsel.

Directors: Joseph B. Flavin*, chairman; Randolph W. Bromery, Francis E. Ferguson, Arthur H. Fredston, Robert P. Jensen*, Lloyd L. Kelly*, Archibald E. MacKay, Donald E. Meads*, Bernard J. O'Keefe*, Arthur J. Santry, Jr.*, William F. Schmied, Kelly H. Burke, Delbert C. Staley.

* Member of the Executive Committee.

Business Activities: Operates a worldwide chain of Singer stores which sell at retail consumer goods manufactured by the Company. Consumer Sewing Machines and Related Products include sewing machines, cabinets and sewing aids, fabrics, sewing notions, and floor care equipment. Manufactures and markets industrial sewing and textile machinery. Products and Services for Government include the aerospace and marine systems educational products and services. Aerospace systems operations include a broad line of navigation systems for aircraft, spacecraft, and marine vessels, guidance systems for missiles, anti-submarine warfare systems, aircraft, spacecraft, marine and industrial simulators, large-screen display systems, educational materials, audio-visual equipment and training products, electronic intelligence systems, telecommunications, terminals, and related systems and products. Products manufactured for the consumer include air conditioning and heating equipment, controls, meters, furniture and motor products such as vacuum cleaners and power tools manufactured for Sears, Roebuck & Co.

Divisions and Subsidiaries:

HRB-Singer, Inc.
Science Park Road
State College, Pennsylvania 16801
(814) 238-4311

Kearfott Division
1150 McBride Avenue
Little Falls, New Jersey 07424
(201) 256-4000

Librascope Division
833 Sonora Avenue
Glendale, California 91201
(213) 244-6541

Link Flight Simulation Division
Binghamton, New York 13902
(607) 772-3011

Link Simulation Systems Division
11800 Tech Road
Montgomery Industrial Park
Silver Spring, Maryland 20904
(301) 622-4400

Education Division
8 Stamford Forum
Stamford, Connecticut 06904
(203) 356-4200
Products manufactured for the consumer

SimuFlite Training International, Inc.
8445 Freeport Parkway, Suite 300
Irving, Texas 75063
(214) 456-8000

Controls Products Division
9655 W. Soreng Avenue
Schiller Park, Illinois 60176
(312) 678-4150

North American Sewing Products Division
135 Raritan Center Parkway
Edison, New Jersey 08837
(201) 632-6700

Furniture Division
880 Johnson Ferry Road N.E.
Atlanta, Georgia 30342
(404) 256-3850

Meter Products Division
13500 Philmont Avenue
Philadelphia, Pennsylvania 19116
(215) 673-2100

Motor Products Division
Pumpkintown Highway
Pickens, South Carolina 29671
(803) 878-6331
Sewing Products and consumer durables

Europe Africa & Middle East Division
Belmont Road
Maidenhead, Berkshire SL6 6JN
England

Asia Division
593 Havelock Road #03-00
Singapore 0316

Latin America Division
8525 N.W. 53rd Terrace
Miami, Florida 33166
(305) 592-9201

Transfer Agent(s):

The First Jersey National Bank
Stock Transfer Division
One Exchange Place
Jersey City, New Jersey 07302

Crocker National Bank (common & $3.50 preferred stock)
P.O. Box 38005
San Francisco, California 94138

Stock Exchange(s): New York, Pacific, Paris, Bourse, London

Ticker Symbol: SMF

Sales and Earnings

	Net Sales + (000's)	Net Income ‡ (000's)
1984	$ 2,518,800	$ 65,100
1983	2,476,600	31,600
1982	2,523,400	(2,900)
1981	2,704,000	38,400
1980	2,659,700	38,100

	No. of Com Shares	Earn. per Share ‡†
1984	17,089,706	$ 3.41
1983	16,935,406	1.52
1982	16,621,004	—
1981	16,612,221	1.93
1980	16,591,247	1.92

(Loss)
+ Of continuing operations only
‡ Including extraordinary gains of $14,800,000 ($0.84 per share) in 1984, $15,400,000 ($0.88 per share) in 1983 and $18,900,000 in 1982
† Based on the average number of common shares and common share equivalents outstanding

Revenues By Line of Business
(000's)

	1984	1983
Sewing products	$ 154,100	$ 148,600
Furniture	145,700	139,200
Power tools & floor care	217,500	199,900
Controls prods	143,400	124,000
Meter prods	89,300	72,100
Aerospace & marine sys	1,110,500	1,010,800
Education	64,200	63,900
International group	594,100	718,100
Total	$ 2,518,800	$ 2,476,600

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.10	—	—
1983	0.10	—	—
1982	0.10	—	—
1981	0.10	—	—
1980	0.10	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 321,600,000	$ 18.82
1983	270,600,000	15.98
1982	259,000,000	15.58
1981	268,600,000	16.17
1980	236,600,000	14.26

‡ After allowing for preferred stock at total liquidation preference value

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Revenues	$ 2,518,800	$ 2,476,600
Cost of sales	1,918,200	1,872,800
Expenses	454,000	500,100
Inc. of unconsol. subsid.	(4,100)	(6,000)
Interest expense	79,200	74,000
For. exch. adjust.	(2,000)	2,900
Other income	(7,900)	(19,000)
Inc. before taxes	$ 81,400	$ 51,800
Income taxes	31,100	35,600
Net Income	$ 50,300	$ 16,200
Extraord. gain	14,800	15,400
Net Income & extraord. gain	$ 65,100	$ 31,600

* Included in Costs and Expenses, Depreciation and Amortization: $62,200,000 in 1984 and $52,300,000 in 1983

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 57,600	$ 36,200
Accts. receiv., net	441,300	459,200
*Inventories	405,300	358,400
Prepaid expenses	11,500	10,200
Current Assets	$ 915,700	$ 864,000
Investments	81,700	81,600
#Fixed assets	380,100	393,400
Other assets	92,500	81,300
Total Assets	$ 1,470,000	$ 1,420,300

Liabilities
(000's)

	1984	1983
Notes & loans payable	$ 122,500	$ 133,400
Long-term debt, curr	14,500	13,600
Accts. payable	233,500	201,400
Accruals	190,600	192,300
Income taxes	14,100	23,600
Curr. Liabilities	$ 575,200	$ 564,300
Long-term debt	322,900	334,100
Other liabilities	88,200	86,500
+ Preferred stock	22,400	22,900
+ + Common stock	170,900	169,400
Add. paid-in capital	40,200	39,400
Retained earnings	289,600	231,500
Eq. adjust. from curr. trans.	(39,400)	(27,800)
Total Liabilities & Shareholders' Equity	$ 1,470,000	$ 1,420,300

* At lower of cost (FIFO) or market
# Less accumulated depreciation
+ No par value
+ + $10 par value

Statistical Summary

% Net Income to Equity	10.40	3.72
Sales to Inventories	6.21	6.92
Working Capital	$340,500,000	$299,700,000
Current Ratio	1.59	1.53
Shareholders' Equity	$483,700,000	$435,400,000

Sobeys Stores Limited

115 King Street
Stellarton, Nova Scotia, BOK 1S0, Canada
(902) 752-8371

Officers: Frank H. Sobey, honorary chairman of the board; William M. Sobey, chairman; David F. Sobey, deputy chairman & chief executive officer; James S. Murchie, president; Nigel F. Byars, v.p.-finance, treasurer & asst. secretary; Frank J. Hickey, v.p.-merchandising; John Sobey, v.p.-retail; Darrell M. Rushton, v.p.-wholesale; James G. Fitzpatrick, v.p.-distribution; J.K. Lynn, v.p.-personnel; G.J. Vienneau, v.p.-corporate marketing; Donald F. Arsenault, v.p.-retail (Newfoundland); Robert P. Dexter, secretary

Directors: Merritt G. Crawford, William G. Lumsden, J. William Ritchie, Arthur R. Lundrigan, James S. Murchie, Henry B. Rhude, David F. Sobey, Donald R. Sobey, Frank H. Sobey, William M. Sobey, James W. Gogan, James L. Moody, Jr.

Business Activities: Engaged in food distribution and merchandising. Operates a chain of grocery stores in Price Edward Island, Nova Scotia, Newfoundland, New Brunswick, Quebec and Ontario. These stores operate under the name of T.R.A. Foods, Lumsden Brothers, K-Mart Foods and Sobey's Village. Also engaged in real estate activities.

Subsidiaries:

Lumsden Brother Limited
Burlington, Ontario

Clover Produce Limited
Halifax, Nova Scotia

Eastern Sign-Print Limited
Stellarton, Nova Scotia

Johnson & MacDonald Limited
New Glasgow, Nova Scotia

T.R.A. Foods Limited
Middleton, Nova Scotia

Transfer Agent(s):

Montreal Trust Co.
Montreal, Quebec, Canada

Stock Exchange(s): Montreal, Toronto

Ticker Symbol: SYS

Number of Stores: (at fiscal year end)
1984 96 1983 96

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 672,603,000	$ 7,416,000
1983*	588,251,000	5,524,000
1982	485,804,000	7,148,000
1981	437,357,000	3,009,000
1980	380,153,000	1,891,000

	No. of Com Shares #	Earn. per Share #‡
1984	2,333,586	$ 2.76
1983*	2,333,586	1.95
1982	2,333,586	2.56
1981	2,333,586	1.21
1980	2,333,586	0.78

*53 weeks
Class A common and Class B common shares combined
‡ Including extraordinary gain of $249,000 ($0.11 per share) in 1982

Common Stock

		Cash Dividend	Stock Dividend	Stock Split
1984	Class A	$0.26	—	—
	Class B	0.26	—	—
1983	Class A	0.21	—	—
	Class B	0.21	—	—
1982	Class A	0.20	—	—
	Class B	0.20	—	—

1981 Class A	0.15	—	3-for-1
Class B	0.15	—	3-for-1
1980 Class A	0.13	—	—
Class B	0.13	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 33,663,220	$ 14.43
1983	27,825,220	11.92
1982	23,762,940	10.18
1981	18,089,540	7.75
1980	15,755,740	6.75

‡ After allowing for preferred stock at par value

Income Account

Year ended	5/5/84	5/7/83
Sales	$ 672,603,000	$ 558,251,000
Cost of sales & expenses	652,963,000	543,711,000
Depreciation	5,420,000	4,419,000
Interest expense	4,303,000	2,695,000
Investment income	(2,023,000)	(1,248,000)
Income bef. taxes	$ 11,940,000	$ 8,674,000
Income taxes	4,378,000	3,027,000
Minority interest	111,000	123,000
Loss on sale of secur	35,000	—
Net Income	$ 7,416,000	$ 5,524,000

Assets

As of	5/5/84	5/7/83
Cash	$ 4,550,000	$ 4,336,000
Marketable securities	44,615,000	18,633,000
Receiv., net	8,576,000	6,176,000
*Inventories	43,927,000	37,234,000
Prepaid expenses	1,939,000	1,892,000
Income taxes recover	445,000	15,000
Current Assets	$ 104,052,000	$ 68,286,000
Investments	11,734,000	9,224,000
#Fixed assets	31,927,000	27,646,000
†Assets under cap leases	1,378,000	1,768,000
Total Assets	$ 149,091,000	$ 106,924,000

Liabilities

Bank loans	$ 18,757,000	$ 1,213,000
Long-term debt, curr	1,586,000	1,082,000
Accts. payable & accruals	54,075,000	42,953,000
Income taxes payable	1,170,000	2,199,000
Cap. lease oblig., curr	411,000	446,000
Curr. Liabilities	$ 75,999,000	$ 47,893,000
Cap. lease oblig	988,000	1,334,000
Long-term debt	23,208,000	14,869,000
Minority interest	845,000	743,000
Deferred income taxes	3,243,000	3,115,000
+ Pref. stock 6¼%, 1966 series	1,145,000	1,145,000
+ Pref. stock 9%, conv., 1981 series	10,000,000	10,000,000
+ + Common stock:		
Class A	1,776,000	1,776,000
Class B	687,000	687,000
Retained earnings	31,200,000	25,362,000
Total Liabilities & Shareholders' Equity	$ 149,091,000	$ 106,924,000

* At lower of cost and net realizable value
# Less accumulated depreciation
† Less accumulated amortization
+ $20 par value
+ + No par value

Statistical Summary

%Income bef. Taxes to Sales	1.78	1.55
%Net Income to Sales	1.10	0.99
%Net Income to Equity	16.55	14.18
Sales to Inventories	15.31	14.99
Working Capital	$28,053,000	$20,393,000
Current Ratio	1.37	1.43
Shareholders' Equity	$44,808,000	$38,970,000

The Southland Corporation

2828 North Haskell Avenue
Dallas, Texas 75204
(214) 828-7011

Mailing address:

Box 719
Dallas, Texas 75221

Officers: John P. Thompson, chairman of the board & chief exec. officer; Jere W. Thompson, president; Walton Grayson III, exec. v.p.-administration & services; Clark J. Matthews II, sr. exec. v.p. & chief financial officer; J.C. Thompson, Jr., sr. exec. v.p.-retail; S.R. Dole, sr. v.p.-stores group; James W. Parker, exec. v.p.-mfg. & distribution; Vaughn R. Heady, v.p.-EDP facilities planning; David Karney, v.p.; Rulon R. Brough, v.p.-management information services; P. Eugene Pender, v.p. & controller; L. Mark Rigg, v.p.-human resources; John H. Rodgers, v.p. & general counsel; Frank J. Gangi, v.p. & treasurer; R.G. Smith, secretary; Frank McKeown, sr. v.p.-marketing-retail; Henry T. Stanley, Jr., v.p.-investor relations; C.O. Beshears, v.p.-dairies group; Donald L. Burnside, v.p.-western stores region; Adrian O. Evans, v.p.-central stores region; Joseph S. Hardin, Jr., v.p.-distribution; Frank L. Kitchen, v.p.-eastern stores region; James R. Lynch, v.p.-southeastern stores region; Sam J. Susser, sr. v.p.-petroleum products; Ronald E. Hall, v.p., chief exec. officer & president-Citgo Petroleum Products; Richard A. Turchi, v.p.-international; Bill M. Wootton, v.p.-southwestern stores region; Allen Liles, v.p.-public relations; Hugh G. Robinson, v.p. & president-Cityplace Development Corp.

Directors: William W. Atwell, J.Y. Ballard, Walton Grayson III, Joseph S. Hardin, Mark L. Lemmon, Jere W. Thompson, John P. Thompson, J.C. Thompson, Jr., Alan C. Schoellkopf, Clark J. Matthews II, Frank L. Carney, Leo E. Linbeck, Jr., Walter M. Mischer, Jr., Armand Hammer.

Business Activities: Operator and franchisor of self-service convenience stores and a processor and distributor of dairy products. As of December 31, 1984, there were 7,473 convenience food stores (principally under the name 7-Eleven in 41 states, the District of Columbia, and Canada); 41 Super-7 multi-pump self-service gasoline outlets; 48 Gristede's and Charles & Company food stores and sandwich shops in the New York City metropolitan area. International subsidiaries/affiliates include 44 Super Siete stores in Mexico; 349 R S McColl convenience-type "CTN" (confectionery, tobacco, news) stores in the United Kingdom, and two 7-Eleven stores, as well as 49 7-Eleven/naroppet stores in Sweden. Through area licensees, operates an additional 532 7-Eleven stores in the U.S., 1,909 in Japan, 64 in Australia, 59 in Hong Kong, 5 in Singapore, 16 in Canada, and 62 in Taiwan. Operates 20 dairy processing plants and 68 dairy distribution centers in 50 states, Washington, D.C. and Canada. Other operations include Citgo Petroleum Corporation, Pate Foods, a manufacturer of corn-based snack food products, El-Ge Potato Chip Co., and divisions that manufacture food ingredients and specialty chemical products, commercial and packaged ice, and microprocessor-controlled cash dispensing systems. Also operates 337 Chief Auto Parts stores.

Divisions:

Stores Group

General Office
2828 North Haskell Avenue
P.O. Box 719
Dallas, Texas 75221
(214) 828-7011

Gristede's
1601 Bronxdale Avenue
Bronx, New York 10462
(212) 824-2000

Southeastern Region
1304 Lee Road
Orlando, Florida 32810
(305) 295-3076

Central Region
2214 Algonquin Road
Rolling Meadows, Illinois 60008
(312) 577-1711

Petroleum Products
17311 Dallas Parkway
P.O. Box 7002
Addison, Texas 75001-2
(214) 931-0261

Southwestern Region
12200 Park Central
Suite 500
Dallas, Texas 75251
(214) 980-8055

Western Region
7839 University Avenue
P.O. Box 698
La Mesa, California 92041
(619) 465-2101

Western Gasoline Division
2444 Moor Park Avenue
Suite 316
San Jose, California 95128
(408) 293-9942

Dairies Group - General Office
2828 N. Haskell Avenue
P.O. Box 719
Dallas, Texas 75221
(214) 828-7426

Oak Farms Division
P.O. Box 225178
Dallas, Texas 76265
(214) 941-0302

Cabell Division
4017 Commerce Street
Dallas, Texas 75226
(214) 821-9164

Embassy Dairy Division
P.O. Box 114
Mattawoman Drive
Waldorf, Maryland 20601
(301) 843-1212

Midwest Farms Division
1681 Union Avenue
P.O. Box 41199
Memphis, Tennessee 38104
(901) 274-0136

Velda Farms Division
501 N.E. 181st Street
P.O. Box 64000B
Miami, Florida 33164
(305) 651-3511

Wanzer's Division
4430 W. North Avenue
Chicago, Illinois 60639
(312) 276-7720

Bancroft Dairy Division
1010 South Park Street
Madison, Wisconsin 53715
(608) 257-1006

Merritt Foods Division
2722 Guinotte Road
Kansas City, Missouri 64120
(816) 483-4233

Chemical Division
1st Continental Bank Bldg.
Suite 400
5801 Marvin D. Love Freeway
Dallas, Texas 75237
(214) 331-8391

Reddy Ice Division
2745 North Central Expressway
Dallas, Texas 75204
(214) 526-6740

Fast Foods Division
3636 McKinney Avenue
Dallas, Texas 75204
(214) 559-3630

Southland International
2828 N. Haskell Avenue
P.O. Box 719
Dallas, Texas 75221
(214) 828-7815

Tidel Systems
2615 E. Belt Line Road
Carrollton, Texas 76006
(214) 245-8591

Chief Auto Parts
12200 Park Central Drive
Dallas, Texas 75251
(214) 239-2256

Eastern Region
955 Louis Drive
Warminster, Pennsylvania 18974
(212) 443-8700

Specialty Products Division
2818 Merrell Road
P.O. Box 29306
Dallas, Texas 75229
(214) 350-9966

Subsidiaries:

American Service Realty
Citgo Petroleum Corporation
  Citgo Caribbean Corporation
  Citgo International Supply Company
    Citgo International Trading Company
  Citgo Pipeline Investment Company
    Citgo Pipeline Company
Citijet Corporation
Cityplace Development Corporation
El-Ge Potato Chip Co., Inc.
Knowlton's Dairy Corporation
Southland Fuels, Inc.
  Foremost Petroleum Company of Texas, Inc.
    Petro-Chemical Transport, Inc.
      Petro-Chemical Transportation, Inc.
  M & A Petroleum Company of Texas, Inc.
Southland International, Inc.
Southland Sales Corporation
  7-Eleven Sales Corporation
Svenska 7-Eleven AB

All at:

P.O. Box 719
Dallas, Texas 75221
(214) 828-7011

Acquisition(s):

El-Ge Potato Chip Co.
York, Pennsylvania

Affiliates:

Desarrollo de Distribution Alimenticia, S.A.
(49% owned)
Mexico

Quimiproductos, S.A. (49% owned)
Mexico

Transfer Agent(s):

MBank, Dallas, N.A.
P.O. Box 225415
Dallas, Texas 75265

Ticker Symbol: SLC

Number of Stores*: (at fiscal year end)

1984	7,473	1981	7,002
1983	7,299	1980	6,895
1982	7,165		

* Company operated and franchise convenience stores only.

Sales and Earnings

	Revenues † (000's)	Net Income (000's)
1984	$ 12,105,001	$ 160,252
1983	8,805,010	131,768
1982	6,782,383	108,051
1981	5,734,160	92,860
1980	4,782,605	76,506

	No. of Com. Shares #	Earn. per Share #
1984	46,972,937	$ 3.41
1983	40,393,082	3.26
1982	35,772,689	3.02
1981	35,513,515	2.61
1980	35,460,071	2.16

† Includes franchised stores and other income.
# Based on the average number of common shares outstanding adjusted to reflect stock dividend and stock split.

Revenues By Line of Business

	1984 (000's)	%	1983 (000's)	%
Store group	$ 7,707,300	63%	$ 6,820,700	76%
Gasoline refining	3,882,000	31	1,554,700	18
Food processing	443,600	4	395,800	4
Corporate	2,000	1	900	1
Other	70,100	1	32,900	1
Total	$12,105,000	100%	$8,805,000	100%

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$0.92	—	—
1983	0.84	—	—
1982	0.77	—	3-for-2
1981	0.70	—	—
1980	0.62	3%	—

‡ Adjusted to reflect stock dividend and stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$1,195,687,000	$ 25.39
1983	1,074,962,000	22.94
1982	703,348,000	19.48
1981	612,221,000	17.23
1980	545,282,000	15.37

‡ Adjusted to reflect stock dividend and stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 12,034,871	$ 8,772,067
Other income	70,130	32,943
Total income	$ 12,105,001	$ 8,805,010
Cost of sales	10,214,100	7,177,147
Expenses	1,576,856	1,349,574
Prof. sh. plan	19,130	19,426
Interest expense	122,601	73,274
Income before taxes	$ 172,314	$ 185,589
Income taxes	12,062	53,821
Net Income	$ 160,252	$ 131,768

* Included in Costs and Expenses, Depreciation $165,749,000 in 1984 and $145,105,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash and cash investments	$ 79,782	$ 22,120
Accts. & notes receiv., net	168,067	476,393
Refundable inc. taxes	27,081	—
*Inventories	992,469	954,916
Deposits & prepaid expenses	56,585	55,257
Investment in prop.	69,400	76,200
Current Assets	$ 1,393,384	$ 1,584,886
Investments	81,327	84,280
#Fixed assets	1,815,974	1,589,924
Other assets	49,087	50,365
Total Assets	$ 3,339,772	$ 3,309,455

Liabilities
(000's)

Comm. paper	$ 122,240	$ 26,438
Long-term debt, curr.	28,268	57,878
Accts. payable & accruals	972,676	908,802
Income taxes	14,079	8,913
Curr. Liabilities	$ 1,137,263	$ 1,002,031
Long-term debt	856,646	1,125,643
Deferred credits	150,176	106,819
+ Common stock	471	469
Add. paid-in capital	630,517	624,483
Retained earnings	564,699	450,010
Total Liabilities & Shareholders' Equity	$ 3,339,772	$ 3,309,455

* At lower of cost (LIFO and FIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.43	2.12
%Net Income to Sales	1.33	1.50
%Net Income to Equity	13.40	12.26
Sales to Inventories	12.13	9.19
Working Capital	$ 256,121,000	$ 582,855,000
Current Ratio	1.23	1.58
Shareholders' Equity	$1,195,687,000	$1,074,962,000

Spencer Companies, Inc.

450 Summer Street
Boston, Massachusetts 02210
(617) 542-8120

Officers: C. Charles Marran, chairman of the board & chief exec. officer; Herbert Rosen, president & chief operating officer; Donald C. Burgess, sr. v.p. & gen. merch. mgr.; Frank L. Marran, sr. v.p. & dir.-imports & mfg.; Irwin J. Lakin, v.p. & dir.-retail operations; Meyer Magid, sr. v.p. & dir.-apparel div.; William A. Oliver, v.p. & treasurer; Lewis H. Weinsten, clerk; asst. vice presidents: Roger A. Beaulieu, mgr.-computer operations; John W. Crapo, buyer-women's shoes; Edward J. Fitzgerald v.p. & merchandise manager; Joseph T. Grobel-asst. treasurer; Daniel J. Hart, dir.-warehousing; James R. Morin, dir.-advertising; Milton M. Zalko, buyer-children's shoes; John Delpadre, buyer-men's shoes; Donald Mish, buyer-athletic shoes.

Directors: Meyer Magid, C. Charles Marran, William A. Oliver, Herbert Rosen, Real O. Roy, Frank L. Marran, Paul O'Conor.

Business Activities: Operates leased shoe departments in discount department stores, operates self-service discount shoe stores under the names "Sneaker Circus" and "Shoe Experience" in the Long Island, New York area; also has manufacturing subsidiaries in footwear and misses apparel.

Subsidiaries:

Fashion Gallery, Inc.
450 Summer Street
Boston, Massachusetts 02210

Operates 32 stores in Rhode Island, New Jersey and Massachusetts specializing in name brand women's apparel and footwear at discount prices.

Happy Legs, Inc.
20 Enterprise Avenue
Secaucas, New Jersey 07094
(201) 330-7700

Manufactures Junior and Missy apparel including pants and sportswear under the names "Feelin' Jazzie," H.L. Spencer, and H.L. Tops.

Spencer Companies, Inc.

Transfer Agent(s):

State Street Bank and Trust Company
Boston, Massachusetts 02101

Stock Exchange(s): American

Ticker Symbol: SPN

Number of Leased Depts. & Stores: (at fiscal year end)

1984	246	1981	213
1983	253	1980	195
1982	234		

Sales and Earnings

	Net Sales ‡	Net Income
1984	$ 100,696,178	$ 1,284,929
1983	95,374,040	803,968
1982	86,118,552	(768,353)
1981	69,357,564	1,081,059
1980	64,693,125	1,446,680

	No. of Com. Shares #	Earn. per Share #
1984	1,800,410	$ 0.71
1983	1,862,167	0.43
1982	1,850,292	
1981	1,713,077	0.63
1980	1,718,977	0.84

(Loss)
‡ Includes operating revenues, of continuing operations only
# Based on the weighted daily average number of shares outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.17	—	—
1983	0.11	—	—
1982	0.20	—	—
1981	0.20	—	—
1980	0.17	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 17,997,969	$ 10.00
1983	16,867,744	9.05
1982	17,087,326	9.23
1981	18,444,784	10.77
1980	17,751,180	10.33

‡ Based on the weighted daily average number of shares outstanding

Income Account

Year ended	6/2/84	5/28/83
Net sales	$ 100,696,178	$ 95,374,040
Cost of sales	64,559,855	61,372,496
Expenses	31,161,385	29,832,096
Depreciation & amortization	1,084,856	963,934
Interest expense	1,386,385	1,368,235
Interest income	(48,872)	(81,314)
Legal fees	(137,600)	135,000
Sale of subsidiary	—	280,605
Offering expenses	162,000	—
Other expenses	74,796	86,510
Income before taxes	$ 2,453,373	$ 1,416,478
Income taxes	1,168,444	612,510
Net Income	$ 1,284,929	$ 803,968

Assets

As of	6/2/84	5/28/83
Cash	$ 1,341,017	$ 1,227,901
Leased departments	621,175	690,682
Due from factor	—	1,120,979
Marketable securities	485,022	135,345
Accts. & notes receiv., net	1,309,038	1,493,351
Refundable taxes	697,474	345,000
*Inventories	25,034,123	18,994,008
Prepaid expenses	636,593	255,757
Current Assets	$ 30,124,442	$ 24,263,023
#Fixed assets	4,867,171	4,865,895
Intangibles & other assets	973,169	978,401
Total Assets	$ 35,964,782	$ 30,107,319

Liabilities

Notes payable	$ 1,000,000	$ 750,000
Long-term debt, curr.	807,380	505,130
Accts. payable	12,290,431	8,462,070
Accrued taxes	695,558	600,155
Accrued payroll	1,081,312	933,717
Curr. Liabilities	$ 16,911,862	$ 11,251,072
Long-term debt	1,055,011	1,988,503
+ Common stock	2,075,933	2,069,013
Add. paid-in capital	6,084,538	6,036,390
Retained earnings	13,293,827	12,307,968
Treasury stock	(1,164,251)	(1,164,251)
Acct. receiv.-emp. stock trust	(2,292,078)	(2,381,376)
Total Liabilities & Shareholders' Equity	$ 35,964,782	$ 30,107,319

* At lower of cost (FIFO) or market for mfg., and the retail method for the retail division
# Less accumulated depreciation
+ $1 par value

Statistical Summary

% Income bef. Taxes to Sales	2.44	1.48
% Net Income to Sales	1.28	0.84
% Net Income to Equity	7.14	4.76
Sales to Inventories	4.02	5.02
Working Capital	$13,212,640	$13,011,951
Current Ratio	1.78	2.15
Shareholders' Equity	$17,997,969	$16,867,744

Sprouse-Reitz Co., Inc.

P.O. Box 8996
1411 S.W. Morrison Street
Portland, Oregon 97208
(503) 224-8220

Officers: J.A. Sprouse, chairman of the board & chief exec. officer; R.A. Sprouse, II, president & chief operating officer; J.L. Goss, v.p.-treasurer; R.H. Leonard, v.p.-merchandising; Jerd C. Downer, v.p.-store operations; J.E. Sprouse, secretary

Directors: J.A. Sprouse, Frederick H. Torp, R.A. Sprouse, John E. Sprouse

Business Activities: Operates a chain of variety stores in Oregon, Washington, California, Utah, Montana, Texas, Nevada, New Mexico, Arizona, Idaho, Oklahoma and Wyoming

Transfer Agent(s):

Sprouse-Reitz Co., Inc.
Portland, Oregon

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1984	317	1981	325
1983	320	1980	329
1982	322		

Sales and Earnings

	Net Sales	Net Income
1984	$ 182,665,648	$ 4,941,967
1983	159,150,115	4,438,241
1982	150,544,602	3,679,524
1981	151,573,441	4,607,280
1980	143,677,019	5,303,834

	No. of Com. Shares	Earn. per Share ‡
1984	143,412	$ 34.46
1983	143,414	30.95
1982	143,420	25.65
1981	143,461	32.11
1980	143,465	36.97

‡ Based on the weighted average number of shares outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$6.00	—	—
1983	5.50	—	—
1982	5.00	—	—
1981	6.65	—	—
1980	4.65	—	—

Common Stock Equity

	Total Equity	Equity Per share
1984	$ 54,825,914	$ 382.30
1983	50,402,888	351.45
1982	46,754,138	325.99
1981	43,795,870	305.28
1980	40,142,867	279.81

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 182,665,648	$ 159,150,115
Cost of sales	130,325,837	113,242,637
Expenses	43,440,900	37,848,682
Interest expense	57,120	71,372
Other income	(584,176)	(514,817)
Income bef. taxes	$ 9,425,967	$ 8,502,241
Income taxes	4,484,000	4,064,000
Net Income	$ 4,941,967	$ 4,438,241

* Included in Costs and Expenses, Depreciation and Amortization $1,539,687 in 1984 and $1,504,162 in 1983

Assets

As of Dec. 31	1984	1983
Cash and short-term investments	$ 6,509,336	$ 16,961,519
Receiv., net	622,286	139,995
*Inventories	55,096,738	44,192,749
Prepaid expense	269,417	—
Current Assets	$ 62,497,777	$ 61,294,263
#Fixed assets	11,936,002	10,041,943
Other assets	743,644	640,769
Total Assets	$ 75,177,423	$ 71,976,975

Liabilities

Long-term debt, curr.	$ 77,500	$ 71,400
Accts. payable	11,596,647	13,468,209
Accruals	5,235,913	4,121,770
Income taxes	235,387	947,147
Curr. Liabilities	$ 17,145,447	$ 18,608,526
Long-term debt	1,013,651	1,104,722
Deferred tax credits	530,411	428,839
Deferred inc. taxes	1,662,000	1,432,000
+ Common stock Voting	3,486,464	3,486,464
Nonvoting	10,900,188	10,900,188
Retained earnings	40,472,980	36,049,550
Treasury stock	(33,718)	(33,314)
Total Liabilities & Shareholders' Equity	$ 75,177,423	$ 71,976,975

* At lower of cost (principally LIFO) or market
# Less accumulated depreciation and amortization
+ $100 par value

Statistical Summary

%Income bef. Taxes to Sales	5.16	5.34
%Net Income to Sales	2.71	2.79
%Net Income to Equity	9.01	8.81
Sales to Inventories	3.32	3.60
Working Capital	$45,352,330	$42,685,737
Current Ratio	3.65	3.29
Shareholders' Equity	$54,825,914	$50,402,888

Standard Brands Paint Company

4300 West 190th Street
Torrance, California 90509
(213) 214-2411

Officers: Stuart D. Buchalter, chairman of the board & chief executive officer; Marvin Wager, president & chief operating officer; Eric Beck, Richard Dohan, exec. v.p.'s; Sheldon Abrams, controller; Victor Loewenstein, v.p.-administration; Paul M. Ozawa, v.p.-finance & treasurer; Wallace Steadman, v.p.-human resources; Dorothy Cvetas, asst. secretary.

Directors: Irwin R. Buchalter, Marvyn Carton, F.S. Kellstrom, Richard H. Loeffler*, Marvin Wager*, Stuart D. Buchalter*, Sid Greenberg*, John DeGregory*, Wayne H. Fisher.

* Member of the Executive Committee.

Business Activities: Owns and operates retail paint and decorating centers in California, Arizona, Washingon, Nevada, Utah, New Mexico, Texas and Oregon. Also manufactures paint and paint products.

Divisions:

Major Paint and Varnish Company
4300 West 190th Street
Torrance, California 90509
(213) 542-5901
Produces paint and paint products.

Subsidiaries:

Shiva, Inc.
Torrance, California
Produces artist colors and mediums.

KWAL Paints
Denver, Colorado
Retails paint and wallcoverings through 16 KWAL Paint Center Stores in Colorado and one each in Wyoming and Nebraska. Also manufactures its own brand paint.

Enterprise Wallcoverings, Inc.
Distributes a line of moderately priced wallcoverings in Western United States.

Zynolyte Products Company
Distributes lines of aerosol spray and specialty paint finishes.

Transfer Agent(s):

The Bank of New York
New York, New York

City National Bank
Los Angeles, California

Stock Exchange(s): New York

Ticker Symbol: SBP

Number of Stores: (at fiscal year end)

1984	124	1981	88
1983	116	1980	82
1982	123		

Sales and Earnings

	Net Sales	Net Income
1985	$ 314,927,000	$ 20,779,000
1984	296,814,000	18,575,000
1983 +	260,489,000	13,352,000
1982	250,723,000	14,814,000
1981	227,416,000	15,020,000

	No. of Com. Shares ‡	Earn. per Share ‡
1985	11,140,000	$ 1.87
1984	11,081,000	1.68
1983 +	10,928,000	1.22
1982	10,856,000	1.37
1981	10,751,000	1.40

+ Unaudited
‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.53	—	—
1984	0.4875	—	2-for-1
1983	0.4425	—	—
1982	0.435	—	—
1981	0.39	—	—

+ Adjusted to reflet stock split.

Common Stock Equity

	Tangible Stockholders' Equity	Equity Per Share ‡
1985	$ 153,816,000	$ 13.79
1984	138,625,000	12.46
1983	122,687,000	11.15
1982	121,484,000	11.08
1981	109,075,000	10.14

‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended Sept. 30	1985	1984
Net sales	$ 314,927	$ 296,814
Cost of sales	173,849	163,168
Expenses	103,663	97,820
Oper. profit	$ 37,415	$ 35,826
Interest income	(332)	(635)
Interest expense	799	984
Gain on dispos.	(2,329)	(48)
Income before taxes	$ 39,277	$ 35,525
Income taxes	18,498	16,950
Net Income	$ 20,779	$ 18,575

* Included in Costs and Expenses, Depreciation and Amortization: $4,798,000 in 1985 and $4,963,000 in 1984.

Assets
(000's)

As of Sept. 30	1985	1984
Cash & short-term invest.	$ 6,714	$ 6,173
Receiv., net	7,279	5,760
*Inventories	67,981	63,729
Prepaid expenses	5,442	5,203
Current Assets	$ 87,416	$ 80,865
#Fixed assets	107,085	91,018
Intangibles	2,521	2,521
Total Assets	$ 197,022	$ 174,404

Liabilities
(000's)

Long-term debt, curr.	$ 2,370	$ 1,604
Notes payable	5,000	1,900
Accts. payable & accruals	19,229	15,585
Income taxes	—	1,311
Curr. Liabilities	$ 26,599	$ 20,400
Def. inc. taxes	3,318	1,856
Long-term debt	10,768	11,002
+ Common stock	11,151	11,130
Add. paid-in capital	4,431	4,136
Retained earnings	140,755	125,880
Total Liabilities & Shareholders' Equity	$ 197,022	$ 174,404

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.47	11.97
%Net Income to Sales	6.60	6.26
%Net Income to Equity	13.29	13.16
Sales to Inventories	4.63	4.66
Working Capital	$ 60,817,000	$ 60,465,000
Current Ratio	3.29	3.96
Shareholders' Equity	$156,337,000	$141,146,000

Standex International Corporation

6 Manor Parkway
Salem, New Hampshire 03079
(603) 893-9701

Officers: Daniel E. Hogan, chairman of the board & chief exec. officer; Thomas L. King, president, chief operating officer & treasurer; Sol Sackel, sr. v.p.; Samuel S. Dennis, III, v.p.; Robert E. Masotta, exec. v.p. & general counsel; John M. Wall, v.p.-industrial relations; John J. Bentley, controller; Arthur G. Houghton, v.p.-operations; Thomas H. DeWitt, v.p., corp. counsel & sec.; Norman B. Asher, Charles F. Hartsock, asst. secretaries.; F. Warren Coulter, asst. treasurer.

Directors: Daniel E. Hogan*, Edward C. Bloomberg, John Bolten, Jr., William Brewster, William L. Brown*, Warren S. Cooper*, Samuel S. Dennis, III*, Thomas L. King*, John Hill, C. Kevin Landry, Sol Sackel, Daniel B. Hogan, Robert E. Masotta, H. Nicholas Muller, III

* Member of the Executive Committee

Business Activities: The Electronics Group manufactures electronic components, inductors, capacitors, connectors, reed switches and reed relays. The Industrial Group manufactures embossing rolls and plates, mold engraving, specialty converting and finishing machinery and systems, ducting for heating, air-conditioning, and ventilation systems, power metal spinning of components for aerospace, energy systems, and industrial applications. The Consumer Products Group manufactures and sells pine furniture and furnishings through its Yield House mail order operation and manages a chain of 14 Yield House retail stores; sells grapefruit and other gift packages and fund raising supplies through other mail order operations. The Institutional Products Group manufactures patient feeding systems, handblown glassware, barbecuing and baking equipment, candlelamps and candles, food waste disposers, refrigeration equipment, slicing machines and choppers, casters and wheels, and food racks, cabinets and carts. The Industrial Group manufactures institutional furniture and carbonator pumps. The Graphics Group publishes religious literature and manufactures election supplies; manufactures commercial printing products and educational materials and specialized binding systems; operates a chain of 27 religious retail bookstores.

Transfer Agent(s):

The First National Bank of Boston
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): New York

Ticker Symbol: SXI

Number of Stores: (at fiscal year end)

1984	44	1982	39
1983	40	1981	10

Sales and Earnings

	Net Sales	Net Income
1984	$ 378,547,000	$ 20,006,000
1983	357,731,000	16,099,000
1982	365,658,000	13,536,000

1981	369,874,000	15,208,000
1980	347,480,000	19,442,000

	No. of Com. Shares #	Earn. per Share #
1984	13,854,000	$1.44
1983	13,612,000	1.18
1982	13,490,000	1.00
1981	13,425,000	1.13
1980	13,150,000	1.48

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Graphics	$ 94,832	$ 93,614
Consumer	78,233	81,565
Institutional	100,660	88,304
Electronics	17,214	13,950
Industrial	87,213	79,938
General, corporate & other	395	360
Total	$ 378,547	$ 357,731

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.50	—	2-for-1
1983	0.48	—	—
1982	0.47	—	—
1981	0.44	—	—
1980	0.41	—	—

+ Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 144,019,000	$10.39
1983	132,614,000	9.72
1982	131,944,000	9.78
1981	127,854,000	9.49
1980	117,808,000	8.85

‡ Adjusted to reflect stock split

Income Account

Year ended June 30	1984	1983
Net sales	$ 378,547,064	$ 357,731,119
Other income	2,216,482	1,584,576
Total Income	$ 380,763,546	$ 359,315,695
Cost of sales	233,227,590	223,559,110
Expenses	100,954,089	94,306,903
Depreciation & amortization	7,500,924	7,745,716
Interest expense	3,551,534	4,735,831
Income before taxes	$ 35,529,409	$ 28,968,135
Income taxes	15,523,000	12,869,000
Net Income	$ 20,006,409	$ 16,099,135

Assets

As of June 30	1984	1983
Cash	$ 8,928,725	$ 11,775,765
Receiv., net	50,303,335	45,958,964
*Inventories	83,915,802	72,544,576
Prepaid expenses	4,183,111	2,992,771
Current Assets	$ 147,330,973	$ 133,272,076
#Fixed assets	68,903,180	69,171,934
Receivables	7,180,535	5,406,990
Intangibles	11,307,537	12,487,501
Total Assets	$ 234,722,225	$ 220,338,501

Liabilities

Notes payable & long-term debt, curr.	$ 5,553,762	$ 8,249,446
Accts. payable	21,965,018	17,994,432
Accruals	4,575,974	5,216,737
Accrued payroll	12,757,167	12,108,602
Income taxes	5,834,609	6,709,611
Curr. Liabilities	$ 50,686,530	$ 50,278,828
Long-term debt	32,205,018	31,379,669
Deferred inc. taxes	5,258,000	5,047,000
Other liab.	2,553,463	1,018,986
+ Common stock	20,979,959	20,501,919
Add. paid-in capital	6,557,026	4,787,179
Retained earnings	125,833,280	112,713,193
Cum. trans. adjust.	(7,817,352)	(5,168,374)
Treasury stock	(1,533,699)	(219,899)
Total Liabilities & Shareholders' Equity	$ 234,722,225	$ 220,338,501

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	9.39	8.10
%Net Income to Sales	5.29	4.50
%Net Income to Equity	13.89	12.14
Sales to Inventories	4.51	4.93
Working Capital	$96,644,443	$82,993,248
Current Ratio	2.91	2.65
Shareholders' Equity	$144,019,214	$132,614,018

Steinberg Inc.

Alexis Nihon Plaza
1500 Atwater Avenue
Montreal, Quebec, Canada H3Z 1Y3
(514) 931-9131

Officers: Melvyn A. Dobrin, chairman of the board & chief executive officer; Nathan Steinberg, vice-chairman of the board & sr. v.p.; Irving Ludmer, president & chief operating officer; Norman Auslander, exec. v.p.-supermarkets division, Canada, and general manager-Ontario division; Mitzi S. Dobrin, exec. v.p.- legal & corp. affairs; H. Arnold Steinberg, exec. v.p.-finance & development; Henri Tremblay, group v.p.-human resources; William Howieson, v.p.-treasurer and comptroller; Diane Marcelin Laurin, v.p.-general counsel & sect'y.; Pierre de Grandpreq, v.p.; Soly Cohen, group v.p. & gen. merchandise mgr.-Miracle Mart Div.; Alain Bilodeau, v.p.-labour relations; Morris Ladenheim, group v.p. and general manager-Valdi Inc.; Douglas R. Stewart, group v.p. and general manager-Quebec division; Michel Beland, assistant secretary.

Directors: Donald G. Campbell, Andre Charron, J.V. Raymond Cyr, Melvyn Dobrin*, Mitzi S. Dobrin*, Lazarus Phillips, Gerard Plourde*, H. Arnold Steinberg*, Nathan Steinberg*, Peter F. McGoldrick*, Irving Ludmer.

*Member of the Executive Committee

Business Activities: Operates food stores in the provinces of Quebec, New Brunswick, and Ontario. Also operates discount department stores under the name of Miracle Mart. Businesses include restaurants, flour milling, bakery and food processing operations, with restaurant activities in Manitoba, and box stores in Ontario, Manitoba, Saskatchewan and Alberta.

Divisions:

Quebec Division
5400 Hochelega
Montreal, Quebec
(514) 252-7411
Operates 151 food stores in Quebec and eastern Ontario.

Ontario Division
75 Rexdale Boulevard
Rexdale, Ontario
(416) 743-8180
Operates 75 food stores in southwestern Ontario.

Miracle Mart Division
5151 Thimens Boulevard
Ville St. Laurent, Avenue
Montreal H4R 2C8 Quebec, Canada
(514) 333-6111
Operates 32 department stores.

Subsidiaries:

Smitty Super Value, Inc.
Phoenix, Arizona
Operates 20 supermarket-department stores in the U.S. Southwest.

Multi Restaurants Inc.
Alexis Nihon Plaza
1500 Atwater Avenue
Montreal 216, Quebec, Canada
(514) 931-9131
Operates 198 fast food restaurants.

Valdi Inc.
155 Rexdale Blvd.
Rexdale, Ontario, Canada M9W 5Z8

Ivanhoe Inc.
Alexis Nihon Plaza
1500 Atwater Avenue
Montreal, Quebec, Canada
(514) 931-9131
Engaged in ownership and development of shopping centers.

Franchise Plus Inc.
Montreal, Quebec
Franchise operation servicing a chain of convenience stores in Quebec, operating under the name La Maisonneqe.

Oak Pharmacies Limited

Transfer Agent(s):

Montreal Trust Company
Montreal, Halifax, Toronto, Winnipeg, Regina, Calgary & Vancouver, Canada

Stock Exchange(s): Toronto, Montreal

Ticker Symbol: SBG

	Supermarkets	Dept. Stores	Restaurants	Grocery Stores
1984	241	32	189	88
1983	242	32	198	85
1982	246	32	196	70
1981	227	32	200	44
1980	224	32	200	28

Sales and Earnings +

	Net Sales † (000's)	Net Income × (000's)
1984	$ 3,452,275	$ 15,021
1983	3,357,942	13,392
1982*	3,303,756	34,103
1981	2,813,376	39,480
1980	2,253,343	27,961

	No. of Com. Shares ‡	Earn. per Share ‡ ×
1984	7,126,288	$0.48
1983	7,126,288	0.72
1982*	7,126,288	4.10
1981	7,114,888	4.86
1980	7,083,288	3.24

+ In Canadian dollars.
* 53 weeks.
‡ Based on class A and Common Shares combined.
† Includes operating revenues.
× Including extraordinary gain of $1,313,000 ($0.18 per share) in 1983 and extraordinary loss of $1,162,000 ($0.16 per share) in 1981.

Common Stock

	Cash Dividend #	Stock Dividend	Stock Split
1984	$1.00	—	—
1983	1.40	—	—
1982	1.30	—	—

1981	1.00	—	—
1980	1.00	—	—

Paid on Class A and common stock.

Common Stock Equity

	Total Equity ‡	Equity Per Share ‡‡
1984	$ 276,250,000	$ 38.76
1983	275,799,000	38.70
1982	281,073,000	39.44
1981	260,406,000	36.60
1980	230,339,000	32.52

‡ After allowing for cum. redeem. preferred shares, series A at par value of $100; second preferred shares, series one and two, at par value of $25; second preference shares, series A at redemption value of $25 and series B at stated value (U.S. $25.); third preferred shares, series I at redemption value of $30.24

‡‡ Based on Class A and common stock combined.

Income Account
(000's)

Year ended	7/28/84	7/30/83 (53 weeks)
Net sales & oper. rev.	$ 3,452,275	$ 3,357,942
Cost of sales & expenses	2,748,482	2,685,504
Wages & empl. benefits	574,277	560,683
Rentals	39,930	40,173
Depreciation & amortization	43,585	45,208
Interest exp	39,494	41,933
Interest income	(11,351)	(8,996)
Other income	(12,223)	(9,162)
Income before taxes	$ 30,081	$ 2,599
Income taxes (credit)	14,725	(10,284)
Minority interest	335	804
Net Income	$ 15,021	$ 12,079
Extraord. gain	—	1,313
Net Income & extraord. gain	$ 15,021	$ 13,392

Assets
(000's)

As of	7/28/84	7/30/83
Cash & invest.	$ 76,594	$ 60,770
Accts. receiv., net	43,133	35,976
*Inventories	314,765	310,559
Prepaid expenses	19,632	20,452
Current Assets	$ 454,124	$ 427,757
#Fixed assets-real estate	193,341	201,271
#Fixed assets-retail & mfg	273,707	281,536
Intangibles	54,188	53,466
Other assets	37,594	34,344
Total Assets	$ 1,012,954	$ 998,374

Liabilities
(000's)

Notes payable	$ 40,911	$ 53,130
Long-term debt, curr	25,617	7,146
Accts. payable & accruals	246,284	243,101
Dividends payable	26	27
Income taxes	2,551	928
Def. inc. taxes	4,309	1,944
Curr. Liabilities	$ 319,698	$ 306,276
Long-term debt	265,930	292,555
Minority interest	1,266	931
Deferred inc. taxes	8,102	4,874
+ Series A 5¼% preferred	1,971	2,046
+ + $1.95 second preferred	38,795	40,125
+ + var. rate second preferred	20,000	20,000
+ + + $2.9375 series A	35,625	35,625
+ + + U.S. $2.875 series B	20,143	20,143
+ + + $2.72 third preferred	25,174	
+ + + Class A	22,890	22,890
+ + + Common stock	12,176	12,176
Add. paid-in capital	2,077	1,741
Retained earnings	235,106	238,771
Cum. trans. adj.	4,001	221
Total Liabilities Shareholders' Equity	$ 1,012,954	$ 998,374

* At lower of cost and net realizable value

Less accumulated depreciation and amortization

+ $100 par value

+ + $25 par value

+ + + No par value

Statistical Summary

% Income bef. Taxes to Sales	0.87	0.08
% Net Income to Sales	0.44	0.36
% Net Income to Equity	3.59	3.07
Working Capital	$134,426,000	$121,481,000
Current Ratio	1.42	1.40
Shareholders' Equity	$417,958,000	$393,738,000

Sterchi Bros. Stores, Inc.

200 Tech Center Drive
Knoxville, Tennessee 37902
(615) 523-4163

Officers: C. A. Terrell, chairman of the board; R. H. Beam, president & chief exec. officer; E. L. Dover, Jr., v.p.-advertising; J. P. Childress, sr. vice president, secretary & chief financial officer; R. H. Dempster, Jr., v.p., asst. secretary & treasurer; S. B. Cash, v.p.-credit operations; K. B. Fowler, comptroller

Directors: R. H. Beam, Edwin C. Huster, Lloyd L. Montgomery, III, Sam M. Browder, David M. Traver, James G. Sterchi, III*, J. P. Childress*, C. A. Terrell*, James C. Talley, II

* Member of the Executive Committee

Business Activities: Operates home furnishing stores in Tennessee, Kentucky, North Carolina, South Carolina, Alabama, Georgia, Florida and Mississippi

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
New York, New York

Stock Exchange(s): New York

Ticker Symbol: SBI

Number of Stores: (at fiscal year end)

1985	73	1982	74
1984	72	1981	75
1983	73		

Sales and Earnings

	Net Sales +	Net Income
1985	$ 48,230,017	$ 2,504,962
1984	45,214,426	2,129,023
1983	38,573,361	1,052,583
1982	41,522,080	1,718,534
1981	46,409,974	2,470,000

	No. of Com. Share †	Earn. per Share †
1985	1,319,783	$ 1.90
1984	1,319,734	1.61
1983	1,319,901	0.80
1982	1,320,953	1.30
1981	1,320,828	1.87

+ Including sales of leased departments and carrying charges on installment sales contracts.

† Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.76	—	—
1984	0.76	—	—
1983	0.76	—	—
1982	0.72	—	—
1981	0.68	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 28,698,249	$ 21.74
1984	27,190,038	20.60
1983	26,064,025	19.75
1982	26,035,939	19.71
1981	25,258,310	19.10

Income Account

Year ended	2/28/85	2/29/84
Net sales	$ 48,230,017	$ 45,214,426
Cost of sales	40,610,904	38,226,192
Expenses	1,499,218	1,651,869
Depreciation & amortization	728,117	742,963
Prov. for uncollectible accts.	647,175	603,255
Interest expense	690,823	649,834
Other income	(680,182)	(818,710)
Income before taxes	$ 4,733,962	$ 4,159,023
Income taxes	2,229,000	2,030,000
Net Income	$ 2,504,962	$ 2,129,023

Assets

As of	2/28/85	2/29/84
Cash	$ 1,194,039	$ 1,158,080
Accts. receiv., net	28,584,269	26,206,991
*Inventories	9,175,107	7,983,270
Refundable income taxes	—	906,369
Prepaid expenses	368,978	423,841
Current Assets	$ 39,322,393	$ 36,678,551
#Fixed assets	7,093,845	5,410,296
Other assets	1,621,020	178,089
Total Assets	$ 48,037,258	$ 42,266,936

Liabilities

Notes payable	$ 500,000	$ 500,000
Long-term debt, curr	896,258	780,000
Cap. lease oblig., curr	299,539	300,048
Accts. payable	1,729,436	1,227,103
Accruals	678,177	665,895
Dividends	250,862	250,749
Income taxes	7,065,138	6,302,000
Curr. Liabilities	$ 11,419,410	$ 10,025,795
Long-term debt	6,140,037	2,750,000
Deferred compensation	452,592	362,051
Long-term oblig. under cap. leases	1,326,970	1,939,052
+ Common stock	1,321,950	1,321,950
Add. paid-in capital	821,021	821,021
Retained earnings	26,572,594	25,070,742
Treasury stock	(17,316)	(23,675)
Total Liabilities & Shareholders' Equity	$ 48,037,258	$ 42,266,936

* At lower of cost (FIFO) or market

Less accumulated depreciation and amortization

+ $1 par value

Statistical Summary

% Income bef. Taxes to Sales	9.82	9.20
% Net Income to Sales	5.19	4.71
% Net Income to Equity	8.73	7.83
Sales to Inventories	5.26	5.66
Working Capital	$27,902,983	$26,652,756
Current Ratio	3.44	3.66
Shareholders' Equity	$28,698,249	$27,190,038

The Stop & Shop Companies, Inc.

P.O. Box 369
Boston, Massachusetts 02101
(617) 770-8000

Officers: Sidney R. Rabb, chairman of the board; Avram J. Goldberg, president and chief executive officer; Albert S. Frager, sr. v.p., treasurer & chief financial officer; Carol R. Goldberg,-exec. v.p. & chief operating officer; Robert J. Levin, vice chairman of the board; Anthony DiNardo, sr. v.p.; Harold Frank, sr. v.p., chairman and C.E.O.-Bradlees Dept. Stores; Samuel W.W. Mandell, v.p.-gen. counsel, clerk & secretary; Daniel Donegan, v.p.-distribution & management information planning; Harold E. Fine, v.p.-engineering and construction; Arthur S. Robbins, v.p.-financial services & asst. treasurer; Charles Richards, v.p.-corporate properties; Joseph D. McGlinchey, v.p.-finance & chief accounting officer; William Vaughn, III, v.p.-labor relations; Rufus E. Lester, group v.p.-public policy & technical affairs; Edward W. Barr, v.p.-personnel; Aileen Gorman, v.p.-public affairs.

Directors: Norman L. Cahners, Clifton B. Cox, Julian I. Edison, Avram J. Goldberg*, Irving W. Rabb*, Norman S. Rabb, Sidney R. Rabb*, William W. Wolbach, Albert S. Frager, Carol R. Goldberg, John G.L. Cabot, Phyllis A. Wallace, William F. Pounds, Robert J. Levin, Harold Frank, Roderick MacDougall

* Member of the Executive Committee

Business Activities: Operates Stop & Shop supermarkets, Bradlees self-service department stores, drug stores under the name of Medi Mart. Also operates the Charles B. Perkins Tobacco Shops and Off the Rax women's specialty stores. Manufacturing division operates the following: Bakery, dairy, coffee, seafood processing, cheese packaging, photo lab and commissary.

Divisions and Subsidiaries:

Bradlees Department Store Company
1 Bradlee Circle
Braintree, Massachusetts 02184
(617) 770-8000

Stop & Shop Supermarket Company
Quincy Center Plaza
Quincy, Massachusetts 02172
(617) 770-8000

Medi Mart Drug Store Company
Quincy Center Plaza
Quincy, Massachusetts 02172
(617) 770-8000

Charles B. Perkins Tobacco Shops
E.I. Nason Co. Inc.
Fargo Potato Company
Off the Rax specialty stores
Franklin Wholesalers, Inc.

Acquisition(s):

Almy Stores Inc.

Almy's is a moderate priced department store chain operating in Maine, Massachusetts, New Hampshire and Vermont.

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): New York, Boston

Ticker Symbol: SHP

Number of Stores: (at fiscal year end)

	Bradlees	Other general merchandise stores	Supermarkets
1985	132	135	119
1984	127	168	118
1983	106	175	120
1982	91	165	123
1981	89	139	144

Sales and Earnings

	Net Sales + (000's)	Net Income + (000's)
1985*	$ 3,247,298	$ 54,845
1984	2,790,799	50,801
1983	2,341,874	34,823
1982	2,168,148	24,531
1981	2,059,183	16,147

	No. of Com. Shares #	Earn. per Share # +
1985*	13,748,000	$ 4.60
1984	11,600,000	4.73
1983	10,253,000	3.43
1982	10,120,000	2.42
1981	10,116,000	1.60

* 53 weeks
+ Of continuing operations only
# Based on the weighted average number of common shares outstanding adjusted to reflect stock splits

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1985	$0.94	—	—
1984	0.73	—	2-for-1
1983	0.59	—	5-for-4
1982	0.52	—	—
1981	0.48	—	—

Adjusted to reflect stock splits

Common Stock Equity

	Total Equity	Equity Per Share#
1985	$ 388,830,000	$ 28.28
1984	284,611,000	24.54
1983	181,455,000	17.70
1982	151,489,000	14.97
1981	132,159,000	13.07

Adjusted to reflect stock splits

Income Account
(000's)

Year ended	2/2/85	1/28/84
Net sales	$ 3,247,298	$ 2,790,799
Cost of sales	2,409,492	2,064,959
Expenses	657,448	574,057
Depreciation & amortization	53,130	42,260
Amort. of prop. under cap. leases	10,169	8,985
Interest expense	14,208	12,157
Raxton Corp.-disposition	2,500	—
Income before taxes	$ 100,351	$ 88,381
Income taxes	45,506	37,580
Net Income	$ 54,845	$ 50,801

Assets
(000's)

As of	2/2/85	1/28/84
Cash & market. secur.	$ 48,720	$ 6,638
Accts. receiv., net	37,074	24,046
*Inventories	410,130	340,297
Prepaid expenses	13,378	11,965
Current Assets	$ 509,302	$ 444,163
#Fixed assets	287,609	242,840
Cap. lease oblig.	82,348	73,280
Discontinued oper.	6,214	6,214
Other assets	47,045	35,061
Total Assets	$ 932,518	$ 801,558

Liabilities
(000's)

Long-term debt, curr.	$ 7,417	$ 5,466
Cap. lease oblig., curr.	9,763	8,312
Accts. payable	225,073	175,268
Accruals	66,353	61,809
Income taxes	21,927	22,116
Curr. Liabilities	$ 330,533	$ 272,971
Long-term debt	108,900	148,916
Deferred credit	7,961	8,846
Oblig. under cap. lease	96,294	86,214
+ Common stock	13,892	11,771
Add. paid-in capital	128,900	70,743
Retained earnings	248,233	204,424
Treasury stock	(2,195)	(2,327)
Total Liabilities & Shareholders' Equity	$ 932,518	$ 801,558

* At lower of cost (FIFO) or market. Supermarket, grocery and Bradlees Dept. Stores at LIFO.
# Less accumulated depreciation
+ $1 par value

Statistical Summary

% Income bef. Taxes to Sales	3.09	3.17
% Net Income to Sales	1.69	1.82
% Net Income to Equity	14.11	17.85
Sales to Inventories	7.92	8.20
Working Capital	$178,769,000	$171,192,000
Current Ratio	1.54	1.63
Shareholders' Equity	$388,830,000	$284,611,000

Strawbridge & Clothier

801 Market Street
Philadelphia, Pennsylvania 19105
(215) 629-6000

Officers: Francis R. Strawbridge, III, chairman of the board; Peter S. Strawbridge, president; G. Stockton Strawbridge, chairman of the exec. comm.; James M. Gassaway, II, exec. v.p.-planning, development & research; Richard H. Hall, exec. v.p.-control, operations & personnel; Warren W. White, exec. v.p. & gen. mgr.-Clover Div.; Steven L. Strawbridge, v.p., treasurer & secretary; David W. Strawbridge, v.p.-personnel; Robert G. Muskas, v.p.-branch stores; William A. Timmons, v.p.-sales promotion; George L. Compton, Finley H. Haiman, Natalie B. Weintraub, v.p.s & general merch. mgrs.; Thomas S. Rittenhouse, v.p. & controller; John J. Leahy, v.p. & general superintendent; William A. Rittmayer, v.p.-control & operations, Clover Div.; Louis F. Busico, v.p. & general merchandise manager, Clover Div.; G. Leonard Shea, v.p.-personnel & services, Clover Div.; Robert A. Hoffner, v.p.-stores, Clover Division.

Directors: G. Stockton Strawbridge*, Randall E. Copeland, Frank R. Veale, Winthrop deV. Schwab, James M. Gassaway, II*, Francis R. Strawbridge, III*, Peter S. Strawbridge*, David W. Strawbridge*, Isaac H. Clothier, IV, Steven L. Strawbridge*, Warren W. White*, Margaret S. Clews, Anne C. Longstreth

* Member of the Executive Committee

Areas of Work: Operates department stores and discount variety stores in the Philadelphia metropolitan area and Delaware. The department stores operate under the Strawbridge & Clothier name; the discount variety stores operate under the Clover name.

Transfer Agent(s):

Mellon Bank (East) N.A. (preferred stock)
Corporate Trust Division
Four Mellon Bank Center
Philadelphia, Pennsylvania 19102

The Philadelphia National Bank (common stock)
Corporate Trust Division
P.O. Box 13834
Philadelphia, Pennsylvania 19101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: STRW (NASDAQ)

Number of Stores: (at fiscal year end)

1984	33	1981	25
1983	29	1980	24
1982	29		

Sales and Earnings

	Net Sales	Net Income
1985*	$ 630,496,682	$ 24,675,406
1984	545,489,497	20,856,762

1983	471,932,903	14,096,410
1982	425,606,420	12,089,042
1981	390,173,802	12,850,912

	No. of Com. Shares †	Earn. per Share †
1985*	7,429,762	$ 3.31
1984	7,854,815	2.65
1983	7,777,307	1.80
1982	7,897,858	1.52
1981	8,092,933	1.57

* 53 weeks

‡ Includes leased department sales

† Based on the weighted average number of shares outstanding adjusted to reflect stock dividends and stock splits

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.55	7%	3 for 2 & 2 for 1
1984	0.43	7%	
1983	0.38	5%	
1982	0.36	7%	
1981	0.34	5%	

+ Adjusted to reflect stock dividends and stock splits

Common Stock Equity

	Total Equity	Equity Per Share †
1985	$ 130,982,000	$ 21.07
1984	159,735,000	20.24
1983	141,544,000	18.08
1982	130,107,000	16.75
1981	122,904,000	15.23

† Adjusted to reflect stock dividends and stock splits

Income Account

Year ended	2/2/85	1/28/84
Net sales	$ 630,496,682	$ 545,489,497
Other income	824,554	487,489
Total Income	$ 631,321,236	$ 545,976,986
Cost of sales	452,953,718	388,868,535
Expenses	93,773,357	84,923,378
Depreciation	13,395,972	12,446,279
Pension cost	2,973,615	2,769,440
Interest expense	15,113,995	11,522,900
Prov. for doubtful accts.	3,824,173	3,983,672
Income before taxes	$ 49,286,406	$ 41,462,762
Income taxes	24,611,000	20,606,000
Net Income	$ 24,675,406	$ 20,856,762

Assets

As of	2/2/85	1/28/84
Cash	$ 1,963,854	$ 3,435,933
Accts. receiv., net	145,473,029	126,866,454
*Inventories	86,114,685	66,137,478
Prepaid expenses	4,042,886	5,158,160
Current Assets	$ 237,594,454	$ 201,598,025
#Fixed assets	184,922,386	177,577,086
Other assets	8,116,343	12,107,435
Total Assets	$ 430,633,183	$ 391,282,546

Liabilities

Notes payable	$ 23,500,000	$ 13,000,000
Long term debt & cap. lease oblig., curr.	3,924,326	3,683,048
Accounts payable	39,014,674	32,072,251
Accruals	7,518,607	8,046,810
Deferred taxes	22,809,231	20,957,903
Other taxes	14,625,958	11,055,677
Curr. Liabilities	$ 111,392,796	$ 88,815,689
Long-term debt	101,032,172	54,118,767
Cap. lease oblig.	65,550,851	70,804,753
Other liab.	20,231,013	16,250,714
+ Redeem pref. stock	1,444,200	1,558,100
+ + Common stock	5,086,424	11,884,170
Add. paid-in capital	66,132,100	47,717,113
Retained earnings	110,990,398	101,894,953
Treasury stock	(51,226,771)	(1,761,713)
Total Liabilities & Shareholders' Equity	$ 430,633,183	$ 391,282,546

* At cost (LIFO method)

# Less accumulated depreciation

+ $100 par value, $5 cumulative

+ + $5 par value

Statistical Summary

% Income bef. Taxes to Sales	7.82	7.60
% Net Income to Sales	3.91	3.82
% Net Income to Equity	18.84	13.06
Sales to Inventories	7.32	8.25
Working Capital	$126,201,658	$112,782,336
Current Ratio	2.13	2.27
Shareholders' Equity	$130,982,151	$159,734,523

Suave Shoe Corporation

14100 Northwest 60th Avenue
Miami Lakes, Florida 33014
(305) 822-7880

Officers: David Egozi, chairman of the board, president & chief executive officer; Eugene D. Ramos, sr. v.p. & gen. mgr., shoe mfg. div.; Solomon Garazi, sr. v.p., import div.; Saul Ginzburg, v.p., merchandising & sales, import div.; Luis Arrizurieta, v.p., finance & administration, import div.; Pedro Miranes, secretary & asst. gen. mgr., shoe manufacturing division; Carlos Alvarado, v.p., management information systems, shoe mfg. division; Francisco Llaca, v.p., mktg., shoe import div.; Luis Egozi, v.p., marketing shoe manufacturing division; Sergio Echeverria, chief financial officer & controller shoe manufacturing division, shoe mfg. div.; Jose Marroquin, asst. secretary

Directors: David Egozi*, chairman; Solomon Garazi*; Saul Ginzburg; Charles Dascal; E. Moulton Prussing; Larry J. Hoffman; Joel Newman; Luis Egozi

* Member of the Executive Committee

Business Activities: Manufactures women's sportswear; also manufactures, designs, imports and markets men's, boys', women's and girls' footwear.

Divisions and Subsidiaries:

Domestic Manufacturing Group

Rainbow Footwear Corporation

Florida Coating Industries Corporation

Americana Knitting Mills of Miami, Inc.
Miami, Florida
Manufactures women's sportswear

Import Division

Oriental Trading Corporation
Shoe Supply, Inc.
Universe Shoe Coporation of Fla.

Retail Division

Steffi, Inc.

Bari of Florida, Inc.
Operates 18 shoe stores under the names Bari and Steffi in central and northern Florida.

Transfer Agent(s):

Southeast Bank, N.A.
P.O. Box 014078
Miami, Florida 33131

Stock Exchange(s): New York

Ticker Symbol: SWV

Number of Stores: (at fiscal year end)

1984	18	1982	14
1983	18	1981	11

Sales and Earnings

	Net Sales	Net Income
1984	$ 96,430,000	$ (256,000)
1983	111,522,000	2,031,000
1982	121,871,000	6,654,000
1981	117,036,000	5,722,000
1980	96,860,000	3,332,000

	No. of Com. Shares +	Earn. per Share ‡
1984	2,637,170	$
1983	2,823,873	0.69
1982	3,065,773	2.06
1981	3,273,029	1.75
1980	3,273,029	1.02

+ Adjusted to reflect stock dividend

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.225		
1983	0.30		
1982	0.30		
1981	0.19	10%	
1980	0.18		

+ Adjusted to reflect stock dividend

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 29,057,000	$ 11.02
1983	31,467,000	11.14
1982	32,456,000	10.59
1981	28,750,000	8.78
1980	23,655,000	7.23

‡ Adjusted to reflect stock dividend

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 96,430,000	$ 111,522,000
Cost of sales	81,944,000	90,477,000
Expenses	14,888,000	16,904,000
Interest & finance exp.	936,000	663,000
Income (loss) bef. taxes	$ (1,338,000)	$ 3,478,000
Income taxes (credit)	(925,000)	1,547,000
Eq. in inc. of affil.	(157,000)	(100,000)
Net Income (Loss)	$ (256,000)	$ 2,031,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,958,000 in 1984 and $2,079,000 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 2,404,000	$ 10,680,000
Accts. receiv., net	15,473,000	14,091,000
Inc. tax refund receiv.	2,181,000	
*Inventories	15,005,000	14,812,000
Prepaid exp. & assets	427,000	368,000
Current Assets	$ 35,490,000	$ 39,951,000
Investments & adv.	1,679,000	1,506,000
#Fixed assets	9,959,000	10,193,000
Other assets	1,107,000	670,000
Total Assets	$ 48,235,000	$ 52,320,000

Liabilities

Notes payable	$ 907,000	$ —
Long term debt, curr.	1,185,000	1,179,000
Accts. payable	3,562,000	3,762,000

Suave Shoe Corporation

Dividends payable	—	212,000
Accruals	1,426,000	2,748,000
Accrued payroll	1,309,000	2,201,000
Income taxes	—	200,000
Curr. Liabilities	$ 8,389,000	$ 10,302,000
Long-term debt	1,448,000	2,632,000
Conv. deb. 5%	5,354,000	5,500,000
Deferred inc. taxes	1,850,000	730,000
Deferred comp	1,962,000	1,514,000
Minority interest	175,000	175,000
+ Common stock	36,000	36,000
Add. paid-in capital	7,189,000	7,189,000
Retained earnings	28,930,000	29,801,000
Treasury stock	(7,098,000)	(5,559,000)
Total Liabilities & Shareholders' Equity	$ 48,235,000	$ 52,120,000

* At lower of cost (primarily LIFO) or market

● Less accumulated depreciation

+ $0.01 par value

Statistical Summary

%Income bef. Taxes to Sales	—	3.12
%Net Income to Sales	—	1.82
%Net Income to Equity	—	6.45
Sales to Inventories	6.43	7.53
Working Capital	$27,101,000	$29,649,000
Current Ratio	4.23	3.88
Shareholders' Equity	$29,057,000	$31,467,000

Sunshine-Jr. Stores, Inc.

Box 2498
Panama City, Florida 32401
(904) 769-1661

Officers: Leona J. Lewis, chairman; Lana Jane Lewis-Brent, vice chairman & president; Kenneth L. White, exec. v.p.; Harold Millis, v.p.; Harold C. Pope, v.p. & treasurer; Ralph W. Lake v.p.; Ernest Collins, secretary

Directors: Leona J. Lewis, Lana Jane Lewis-Brent, Ernest Collins, Buford F. Ennis, Roberta Fox, Harold C. Pope, Kenneth L. White

Business Activities: Owns and operates supermarkets and convenience stores offering self-service gasoline. Units are located in Florida, Alabama, Georgia, Mississippi, and Louisiana

Divisions:

Jr. Food Stores Division
Panama City, Florida 32401
(904) 769-1661

Sunshine Supermarket Division
Panama City, Florida 32401
(904) 769-1661

Transfer Agent(s):

Mercantile Trust Company, N.A.
St. Louis, Missouri 63166

Stock Exchange(s): American

Ticker Symbol: SJS

Number of Stores: (at fiscal year end)

1984	342	1981	361
1983	352	1980	360
1982	365		

Sales and Earnings

	Net Sales	Net Income
1984	$ 181,891,524	$ 2,218,687
1983	169,272,584	1,817,617
1982	172,322,216	1,781,942
1981	178,763,837	1,994,054
1980	151,928,539	1,461,124

	No. of Com. Shares ‡	Earn. per Share ‡
1984	1,701,650	$ 1.30
1983	1,701,650	1.07
1982	1,701,650	1.05
1981	1,701,650	1.17
1980	1,701,650	0.86

‡ Based on the weighted average number of common shares and common share and common share equivalents outstanding

Revenues By Line of Business

	1984	1983
Convenience stores	$ 160,995,024	$ 147,914,429
Supermarkets	20,896,500	21,358,155
Total	$ 181,891,524	$ 169,272,584

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.48	—	—
1983	0.48	—	—
1982	0.48	—	—
1981	0.44	—	—
1980	0.40	—	—

Common Stock Equity

	Total Equity	Equity Per Share ●
1984	$ 19,290,305	$ 11.34
1983	17,888,410	10.51
1982	16,887,585	9.92
1981	15,922,435	9.36
1980	14,677,107	8.63

● Based on the weighted average number of common shares and common share equivalents outstanding

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 181,891,524	$ 169,272,584
Cost of sales	144,183,534	136,262,754
Expenses	35,143,632	31,219,472
Other income	(1,185,827)	(1,478,251)
Income before taxes	$ 3,750,185	$ 3,268,609
Income taxes	1,531,498	1,450,992
Net Income	$ 2,218,687	$ 1,817,617

* Included in Costs and Expenses, Depreciation and Amortization: $1,848,912 in 1983

Assets

As of Dec. 31	1984	1983
Cash	$ 2,186,465	$ 1,606,287
Accts. receiv., net	479,172	444,987
*Inventories	10,235,233	11,128,451
Prepaid expenses	48,703	16,462
Deferred inc. tax benefits	245,081	175,953
Current Assets	$ 13,194,654	$ 13,372,140
●Fixed assets	18,981,220	15,663,077
Other assets	572,067	644,867
Total Assets	$ 32,747,941	$ 29,680,084

Liabilities

Long-term debt, curr.	$ 890,726	$ 421,768
Accts. payable	7,037,954	7,129,063
Accrued payroll	709,161	579,629
Income taxes	140,268	199,734
Local taxes	600,070	511,482
Curr. Liabilities	$ 9,378,179	$ 8,841,676
Deferred credits	1,159,426	841,766
Long-term debt	2,920,031	2,108,232
+ Common stock	170,165	170,165
Add. paid-in capital	5,124,245	5,124,245
Retained earnings	13,995,895	12,594,000
Total Liabilities & Shareholders' Equity	$ 32,747,941	$ 29,680,084

* At lower of cost (LIFO) or market

● Less accumulated depreciation and amortization

+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Sales	2.06	1.93
%Net Income to Sales	1.22	1.07
%Net Income to Equity	11.50	10.16
Sales to Inventories	17.77	15.21
Working Capital	$ 3,816,475	$4,530,464
Current Ratio	1.41	1.51
Shareholders' Equity	$19,290,305	$17,888,410

Super Valu Stores, Inc.

P.O. Box 990
Minneapolis, Minnesota
(612) 828-4000

Mailing address

P.O. Box 990
Minneapolis, Minnesota 55440

Officers: Michael W. Wright, chairman, president & chief executive officer; John E. Morrissey, sr. v.p.-distribution; John B. Ferris, sr. v.p.-finance; Thomas L. Dekko, v.p.-sales; J. Gary Rhymes, controller; Ronald C. Tortelli, v.p.-human resources; Sumner H. Goldman, v.p.-merchandising; Lloyd Stenbeck, v.p.-store engineering; Gene D. Hoffman, sr. v.p. & pres.-Wholesale Food Companies; John J. Prior, v.p.-labor relations; Robert O. Erickson, v.p.-market development; David A. Cairns, treasurer; William C. Hunt, v.p., legal general counsel; William J. Tyrrell, v.p. & pres.-ShopKo Stores; James A. Strom, secretary

Directors: Jack J. Crocker, James P. McFarland, James T. Wyman, Albert R. Whitman, William S. Bailey, John E. Morrissey, Michael W. Wright, Arnold R. Weber, Harriet Perlmutter, Vernon H. Heath, Steven I. D'Agostino, Richard D. McCormick, Garnett L. Keith, C. James McNutt

Business Activities: Engaged principally in the supplying and servicing of over 2,300 retail food stores in 27 states from sixteen distribution centers. Independent retailers own and operate more than 2,200 of the retail food stores and the Company owns all or a majority interest of the remaining 79 stores. Most of the stores operate under one of the Super Valu licensed or sub-licensed names: Super Valu, IGA, Sure Save, U-Save, Disco, Super Dollar, Sunflower, Banner and Mr. Quik. The Company also owns and operates the ShopKo group of 48 general merchandise discount stores. Other operations include Preferred Products, a food processing and packaging operation; Planmark, provides engineering and architectural services for supermarkets, retail stores, shopping centers and wholesale distribution facilities; Studio 70, an interior design studio; and Risk Planners, Inc., an insurance agency

Divisions and Subsidiaries:

Bismarck Division
707 Airport Road
Bismarck, North Dakota 58501
(701) 222-5600

Des Moines Division
3900 N.W. 106th Street
Des Moines, Iowa 50322
(515) 278-0211

Ryans Division
1629 King Avenue West
Billings, Montana 59107

Green Bay Division
451 Joannes Avenue
Green Bay, Wisconsin 54305

Fargo Division
3501 12th Avenue North
Fargo, North Dakota 58102

Ohio Valley Division
1003 Bellbrook Avenue

Xenia, Ohio 45385
(513) 376-9441

ShopKo Stores, Inc
2800 South Ashland
P.O. Box 3650
Green Bay, Wisconsin 54304
(414) 497-2211

Preferred Products, Inc
312 Lake Hazeltine Drive
Chaska, Minnesota 55318
(612) 448-5252

Minneapolis Division
101 Jefferson Avenue South
Hopkins, Minnesota 55343
(612) 932-4444

Charley Brothers Company
P.O. Box 700
Greensburg, Pennsylvania 15601
(412) 837-6000

Planmark
11840 Valley View Road
Eden Prairie, Minnesota 55344

Risk Planners Inc
11840 Valley View Road
Eden Prairie, Minnesota 55344

Studio 70
11840 Valley View Road
Eden Prairie, Minnesota 55344

Anniston Division
Roberts Drive, Industrial Park
Anniston, Alabama 36202
(205) 831-1840

Food Marketing Corporation Division
4815 Executive Boulevard
Interstate Industrial Park
Fort Wayne, Indiana 46801
(219) 483-2146

J.M. Jones Company
2611 N. Lincoln Avenue
Urbana, Illinois 61801
(217) 384-2800

The Lewis Grocer Co
P.O. Box 670
Indianola, Mississippi 38751
(601) 887-3211

Cub Food Stores
127 Water Street
Stillwater, Minnesota 55082

Albuquerque Division
1239 Bellamah NW
Albuquerque, New Mexico 87104

Denver Division
4120 Brighton Boulevard
Denver, Colorado 80216

Atlanta Division
600 Selig Drive SW
Atlanta, Georgia 30336

Jacksonville Division
5233 Commonwealth Avenue
Jacksonville, Florida 32205

Miami Division
7000 NW 32nd Avenue
Miami, Florida 33147

Transfer Agent(s):

First National Bank of Minneapolis
Stock Transfer Department
P.O. Box A-799
Minneapolis, Minnesota 55440

Morgan Guaranty Trust Company of New York
Stock Transfer Department
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: SVU

Number of Stores: (at fiscal year end)

	Food Stores	Dept Stores	Apparel Stores
1985	60	49	—
1984	79	39	—
1983	111	36	265
1982	107	32	257
1981	106	30	242

Sales and Earnings

	Net Sales +	Net Income
2/23/85	$6,547,680,000	$ 107,212,000
2/25/84	5,727,565,000	76,732,000
2/26/83	5,005,040,000	68,031,000
2/27/82	4,443,672,000	64,721,000
2/28/81*	4,044,952,000	55,271,000

	No. of Com Shares ‡	Earn. per Share #
2/23/85	37,039,922	$ 2.90
2/25/84	36,942,875	2.08
2/26/83	36,842,191	1.85
2/27/82*	36,610,000	1.77
2/28/81	36,483,000	1.52

+ Of continuing operations only
* 53 weeks
# Based on the weighted average number of shares outstanding adjusted to reflect stock split
‡ Adjusted to reflect stock split

Revenue By Line of Business

	1985 (000's)	%	1984 (000's)	%
Wholesale food	$5,589,536	85.4%	$4,993,918	87.2%
Retail food	966,606	14.7	813,097	14.2
Retail gen merch. oper	609,637	9.3	475,102	8.3
Eliminations	(618,099)	(9.4)	(554,552)	(9.7)
Total	$6,547,680	100.0%	$5,727,565	100.0%

Common Stock

	Cash Dividend #	Stock Dividend	Stock Split
2/23/85	$0.66	—	—
2/25/84	0.59	—	—
2/26/83	0.54	—	—
2/27/82	0.46	—	2-for-1 ‡
2/28/81	0.3825	—	—

‡ In the form of a 100% stock dividend
# Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share #
2/23/85	$ 469,170,000	$ 12.67
2/25/84	384,671,000	10.41
2/26/83	327,924,000	8.90
2/27/82	277,265,000	7.57
2/28/81	228,071,000	6.25

Adjusted to reflect stock split

Income Account *
(000's)

Year ended	2/23/85	2/25/84
Net sales	$ 6,547,680	$ 5,727,565
Cost of sales	5,982,353	5,247,082
Expenses	394,574	337,166
Interest & other debt expense	13,223	10,744
Income before taxes	$ 157,530	$ 132,573
Income taxes	73,175	60,496
Loss of unconsol subsid	1,093	1,161
Inc.-cont. oper	$ 83,262	$ 70,916
Inc.-discont. oper	23,950	5,816
Net Income	$ 107,212	$ 76,732

* Included in Costs and Expenses, Depreciation and Amortization: $55,016,000 in 1985 and $43,671,000 in 1984

Assets
(000's)

As of	2/23/85	2/25/84
Cash	$ 912	$ 785
Receiv., net	109,173	81,569
Due from purchaser of excel	—	11,127
*Inventories	402,137	359,176
Supplies & prepaid expenses	6,967	6,572
Deferred inc. tax benefits	5,484	5,825
Invest. in dir. fin. leases	6,448	5,642
Assets of discont. oper	—	19,815
Current Assets	$ 531,121	$ 490,511
Long-term notes receiv	37,247	28,408
Investments & advances	78,545	62,917
Assets of discont. oper	—	19,798
#Fixed assets	503,896	388,606
Other assets & defer. charges	22,994	15,540
Total Assets	$ 1,173,803	$ 1,005,780

Liabilities
(000's)

	2/23/85	2/25/84
Long-term debt, curr	$ 4,918	$ 5,011
Capital lease oblig., curr	10,352	9,256
Accts. payable	276,569	244,898
Due to Food Giant	11,726	—
Notes payable	32,908	61,544
Checks outstanding	50,627	55,941
Accrued compensation	26,515	23,137
Retire. plan contrib	12,332	12,955
Dividends payable	6,297	5,538
Income taxes	16,528	5,573
Other taxes	17,365	15,531
Curr. Liabilities	$ 466,137	$ 439,384
Long-term debt	102,176	79,614
Oblig. under capital leases	127,743	96,822
Def. inc. taxes	8,390	4,297
Other liabilities	187	992
+ Common stock	37,040	36,943
Add. paid-in capital	6,113	4,497
Retained earnings	426,017	343,231
Total Liabilities & Shareholders' Equity	$ 1,173,803	$ 1,005,780

* At lower of cost (majority at LIFO, remainder at FIFO) or market
# Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

%Net Income to Equity	22.85	19.95
Sales to Inventories	16.28	15.95
Working Capital	$ 64,984,000	$ 51,127,000
Current Ratio	1.14	1.12
Shareholders' Equity	$469,170,000	$384,671,000

Supermarkets General Corporation

301 Blair Road
Woodbridge, New Jersey 07095
(201) 499-3000

Officers: Alex Aidekman, chairman of the board; Leonard Lieberman, president & chief exec. officer; Stanley Abramson, exec. v.p. & group exec.-General Merchandise Divisions; Bernard Paroly, exec. v.p. & chairman-Pathmark Division; James D. Dougherty, exec. v.p., secretary & general counsel; Murray Levine, sr. v.p. & controller; Harvey M. Gutman, v.p.-planning & research; Jerome Katcher, v.p.-technical services; Arnold J. Pearl, v.p.-real estate & store development; Jeffrey C. Girard, v.p. & treasurer

Directors: Alex Aidekman, J. Kenneth Boyles, Leonard Lieberman, Raymond J. Petersen, Stanley Abramson, Harvey M. Krueger, Fred R. Sullivan, Bernard Paroly, Claudine Malone, Robert I. Smith, Norman M. Hinerfeld, Alan Sagner, Robert Marks, Josh S. Weston

Business Activities: Operates a chain of supermarkets under the Pathmark name in New York, New Jersey, Connecticut, Delaware and Pennsylvania, supermarkets and super warehouse stores under the same Purity Supreme and Heartland in Massachusetts, New Hampshire and Connecticut, conventional and deep discount stores, drug stores in New York, Massachusetts, New Hampshire, Connecticut, Maryland and New Jersey, department stores and specialty shops in New York, New Jersey, Connecticut, New Hampshire and Massachusetts under the name Howland-Steinbach, and in Maryland as Hochschild, Kohn, Rickel Home Centers in Delaware, Connecticut, Maryland, New Jersey, New York and Pennsylvania selling such items as lumber, plumbing fixtures, garden tools and supplies and other household items.

Divisions:

Pathmark Division
Rickel Division
Drug Store Merch. Division
Purity Supreme Division
Howland-Steinbach-Hochschild Division

Transfer Agent(s):

The Bank of New York
New York, New York

Stock Exchange(s): New York

Ticker Symbol: SGL

Number of Stores: (at fiscal year end)

	Supermkts.	Drug Stores & Depts.
1984	175	118
1983	130	115
1982	121	118
1981	117	110
1980	116	104

	Dept. Home Centers	Specialty Stores
1984	40	29
1983	36	33
1982	34	37
1981	31	38
1980	30	37

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1984*	$ 4,346,680	$ 52,424
1983	3,517,548	40,674
1982	3,247,338	37,693
1981	2,999,379	30,256
1980	2,628,851	26,067

	No. of Com. Shares #	Earn. per Share #
1984*	17,782,000	$ 2.95
1983	17,704,000	2.30
1982	17,204,000	2.19
1981	16,752,000	1.81
1980	16,639,000	1.57

* 53 weeks
+ Of continuing operations only
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1984	%	1983	%
Supermarkets	$3,817,600	88	$3,048,700	87
Department stores	182,500	4	193,400	5
Home centers	346,600	8	275,400	8
Total	$4,346,700	100%	$3,517,500	100%

Common Stock

	Cash Dividend #	Stock Dividend	Stock Split
1984	$0.41	—	—
1983	0.37	—	2-for-1
1982	0.33	—	—
1981	0.2925	—	—
1980	0.2625	—	—

Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 287,410,000	$ 16.16
1983	241,595,000	13.61
1982	206,191,000	11.70
1981	167,291,000	10.15
1980	141,662,000	8.61

Adjusted to reflect stock split.

Income Account
(000's)

Year ended	2/2/85	1/28/84
Net sales	$ 4,346,680	$ 3,517,548
Cost of sales	3,335,667	2,687,831
Expenses	834,910	696,030
Depreciation & amortization	57,057	45,823
Interest expense	20,841	14,156
Income before taxes	$ 98,205	$ 73,708
Income taxes	45,781	33,034
Net Income	$ 52,424	$ 40,674

Assets
(000's)

As of	2/2/85	1/28/84
Cash	$ 30,040	$ 34,967
Accts. receiv., net	28,105	26,206
Other curr. assets	42,563	24,824
*Inventories	342,388	250,714
Current Assets	$ 443,096	$ 336,711
#Fixed assets	530,562	409,436
Other assets	11,851	4,753
Total Assets	$ 985,509	$ 750,900

Liabilities
(000's)

Long-term debt, curr.	$ 6,520	$ 5,453
Cap. lease oblig., curr.	6,649	6,130
Accts. payable	235,653	171,950
Accruals & other liabilities	66,881	47,595
Accrued payroll	50,826	39,160
Fed. inc. taxes	14,901	7,310
Curr. Liabilities	$ 381,430	$ 277,598
Long-term debt	132,884	65,922
Oblig. under cap leases	127,420	122,221
Other liabilities	56,365	43,564
+ Common stock	17,882	17,882
Add. paid-in capital	2,692	2,423
Retained earnings	267,381	222,251
Treasury stock	(545)	(961)
Total Liabilities & Shareholders' Equity	$ 985,509	$ 750,900

* At lower of cost or market.
# Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	2.25	2.10
%Net Income to Sales	1.20	1.16
%Net Income to Equity	18.24	16.84
Sales to Inventories	12.69	14.03
Working Capital	$ 61,666,000	$59,113,000
Current Ratio	1.16	1.21
Shareholders' Equity	$287,410,000	$241,595,000

Tandy Brands, Inc.

1710 One Tandy Center
Fort Worth, Texas 76102
(817) 390-3790

Officers: Carson R. Thompson, chairman of the board, president & chief executive officer; Britt Jenkins, v.p.; Harold C. DeHart, v.p., secretary and treasurer; Timm Mikulenka, v.p.

Directors: Carson R. Thompson, chairman; John A. Wilson, Jesse Upchurch, Clayton E. Niles, Douglas H. Manning, William M. Manning

Business Activities: Operates principally in two segments: Leather Manufacturing and Specialty Retailing. Leather Manufacturing comprises the manufacture, wholesale and retail sale of finished leather goods, including saddlery and riding equipment. Specialty retailing comprises western-style clothing, riding equipment, boots, fireplaces, fireplace accessories and related home improvement products, and antique English and American furniture reproductions and related accessories.

Divisions:

T.A.B. Men's Accessories
Manufacturers and wholesalers of men's accessories.

Tex Tan Western
Manufacturers and wholesalers of saddlery, riding equipment and boots.

Western World
A chain of 36 western wear stores in Texas, Oklahoma, Arkansas and New Mexico.

Grate Home & Fireplace Shoppes
A chain of 26 stores in the Midwest and Southwest specializing in the retail selling of fireplaces, fireplace accessories, and related home improvement products.

Bombay Company
A chain of 47 stores operating in the U.S. and Canada, specializing in selling antique English furniture reproductions and related home improvement products.

Transfer Agent(s):

InterFirst Bank Fort Worth, N.A.
Fort Worth, Texas

Stock Exchange(s): American

Ticker Symbol: TAB

Number of Stores: (at fiscal year end)

1983	100	1980	71
1982	110		

Sales and Earnings

	Net Sales +	Net Income ‡
1983	$ 63,033,000	$ (5,499,000)
1982	69,928,000	594,000

1981	68,921,000	3,903,000
1980	43,507,000	3,152,659
1979	39,656,000	2,677,706

	No. of Com Shares †	Earn. per Share †‡
1983	2,195,000	$ —
1982	2,212,000	0.26
1981	2,158,000	1.81
1980	2,124,000	1.48
1979	2,062,000	1.30

+ Of continuing operations only

‡ Including extraordinary gain of $370,000 ($0.17 per share) in 1982

† Based on the weighted average number of common shares outstanding adjusted to reflect stock split

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$0.151	—	—
1982	0.300	—	—
1981	0.277	—	3-for-2
1980	0.268	—	—
1979	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1983	$ 22,855,000	$ 10.41
1982	27,823,000	12.58
1981	27,807,000	12.89
1980	23,612,827	11.12
1979	20,673,569	10.02

‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock split

Income Account

Year ended June 30	1983	1982
Net sales	$ 63,033,000	$ 69,928,000
Interest, royalty & other income	229,000	519,000
Total Income	$ 63,262,000	$ 70,447,000
Cost of sales	37,501,000	37,332,000
Expenses	31,374,000	28,654,000
Depreciation & amortization	1,807,000	1,222,000
Interest expense	1,421,000	2,335,000
Income (loss) bef. taxes	$ (8,841,000)	$ 904,000
Income taxes (credit)	(3,580,000)	374,000
Inc. (loss)-cont. oper.	$ (5,261,000)	$ 530,000
Inc. (loss)-discont oper.	(238,000)	64,000
Net Income (Loss)	$ (5,499,000)	$ 594,000

Assets

As of June 30	1983	1982
Cash	$ 411,000	$ 596,000
Accts. receiv., net	5,418,000	6,503,000
*Inventories	15,402,000	21,414,000
Inc. tax receiv.	2,673,000	566,000
Other current assets	1,678,000	1,694,000
Def. inc. taxes	1,207,000	221,000
Current Assets	$ 26,789,000	$ 30,994,000
#Fixed assets	6,892,000	7,439,000
Other assets & intangibles	4,010,000	4,163,000
Assets of disc. oper.	—	2,752,000
Total Assets	$ 37,691,000	$ 45,348,000

Liabilities

Notes payable & long-term debt, curr.	$ 5,949,000	$ 10,429,000
Accts. payable	598,00	244,000
Accrued payroll	1,283,000	944,000
Accrued expenses	2,378,000	1,741,000
Dividends payable	—	162,000
Oblig. under cap. leases	155,000	92,000
Curr. Liabilities	$ 10,363,000	$ 13,612,000
Long-term debt	643,000	473,000
Other liabilities	1,230,000	814,000
Subordinated deben.	2,490,000	2,490,000
Oblig. under cap. leases	110,000	136,000
+ Common stock	2,726,000	2,726,000
Add. paid-in capital	16,900,000	16,414,000
Retained earnings	6,322,000	12,152,000
Treasury stock	(3,093,000)	(3,469,000)
Total Liabilities & Shareholders' Equity	$ 37,691,000	$ 45,348,000

* At lower of cost (average) or market

Less accumulated depreciation

+ $1 par value

Statistical Summary

% Net Income to Equity	—	2.13
Sales to Inventories	4.09	3.27
Working Capital	$16,426,000	$17,382,000
Current Ratio	2.59	2.28
Shareholders' Equity	$22,855,000	$27,823,000

Tandy Corporation

1800 One Tandy Center
Fort Worth, Texas 76102
(817) 390-3700

Officers: John V. Roach, chairman, president & chief executive officer; John McDaniel, senior v.p. & controller; Charles W. Tindall, Jr., senior v.p. & treasurer; Herschel C. Winn, sr. v.p. & secty; Billy R. Roland, Loyd Turner, v.p.'s; Donald L. Bock, asst. treasurer; Louis G. Neumann, asst. secretary

Directors: John V. Roach*, chairman; Phil R. North*, William C. Conner, Lawrence E. Dempsey, William T. Smith, Alfred J. Stein, Jesse L. Upchurch*, John A. Wilson, Robert R. Lowdon*, G.R. Nugent*, Donald L. Bryant, Lewis F. Kornfeld, Jr.*

* Member of the Executive Committee

Business Activities: Operates Radio Shack stores, a consumer electronics chain with company stores, franchised stores and dealer stores located throughout the United States, Canada, Japan, Europe and Australia. Sales outlets in Europe and Australia operate under the name of Tandy International Electronics. Also manufactures consumer electronics products.

Divisions and Subsidiaries:

Radio Shack Division
Tandy International Electronics
Tandy Computer Leasing
Tandy Electronics Manufacturing
A&A International Trading Companies
Tandy Life Insurance Company
Lika Corporation
Memtek Products
Tandy Systems Designs
Tandy Magnetic Media
Tandy Instruments
Tandy Molded Products
Tandy Apparatus
O'Sullivan Industries
  Manufactures furniture for electronic equipment

Transfer Agent(s):

First National Bank of Boston (common stock)
Boston, Massachusetts

InterFirst Bank/Fort Worth, N.A. (debentures)
Fort Worth, Texas

Texas American Bank/Fort Worth N.A.
(common stock & debentures)
Fort Worth, Texas

Stock Exchange(s): New York

Ticker Symbol: TAN

Number of Stores: (at fiscal year end)

1984	9,018	1981	8,161
1983	8,868	1980	7,715
1982	8,518		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 2,736,986	$ 281,871
1983	2,475,188	278,521
1982	2,032,555	224,085
1981	1,691,373	169,602
1980	1,384,637	112,235

	No. of Com Shares ‡	Earn. per Share ‡
1984	102,328,000	$ 2.75
1983	104,335,000	2.67
1982	103,395,000	2.17
1981	102,578,000	1.65
1980	103,644,000	1.12

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—		—
1983	—	—	—
1982	—	—	—
1981	—	—	2-for-1
1980	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 988,696,000	$ 9.66
1983	1,120,872,000	10.74
1982	812,677,000	7.86
1981	571,863,000	5.57
1980	283,125,000	2.73

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits

Income Account

Year ended June 30	1984	1983
Net sales	$ 2,736,986	$ 2,475,188
Other income	47,493	38,109
Total Income	$ 2,784,479	$ 2,513,297
Cost of sales	1,184,531	1,008,187
Expenses	1,014,827	930,244
Depreciation & amortization	46,079	38,679
Interest expense	4,363	8,905
Income before taxes	$ 534,679	$ 527,282
Income taxes	252,808	248,761
Net Income	$ 281,871	$ 278,521

Assets
(000's)

As of June 30	1984	1983
Cash	$ 154,655	$ 279,743
Accts. & notes receiv., net	122,910	107,530
*Inventories	910,530	844,097
Other current assets	40,456	31,928
Current Assets	$ 1,228,551	$ 1,263,298
#Fixed assets	288,854	257,620
Other assets	135,039	60,990
Total Assets	$ 1,652,444	$ 1,581,908

Tandy Corporation

Liabilities
(000's)

Notes payable	$ 51,036	$ 55,737
Accts. payable	88,961	64,640
Accruals	130,386	115,054
Income taxes	5,003	50,668
Current Liabilities	$ 275,386	$ 286,099
Long-term debt	224,297	15,482
Subord. deb.	123,251	122,938
Other liabilities	18,312	18,835
Deferred inc. taxes	22,502	17,682
+ Common stock	95,645	105,645
Add. paid-in capital	75,413	68,111
Retained earnings	914,297	969,626
For. curr. trans.	(21,672)	(16,297)
Treasury stock	(74,987)	(6,213)
Total Liabilities & Shareholders' Equity	$ 1,652,444	$ 1,581,908

* At lower of cost (average) or market
# Less accumulated depreciation
+ $1 par value

Statistical Summary

% Income bef. Taxes to Sales	19.54	21.30
% Net Income to Sales	10.30	11.25
% Net Income to Equity	28.51	24.85
Sales to Inventories	3.01	2.93
Working Capital	$953,165,000	$ 977,199,000
Current Ratio	4.46	4.42
Shareholders' Equity	$988,696,000	$1,120,872,000

Tandycrafts, Inc.

2727 W. Seventh St.
Fort Worth, Texas 76107
(817) 870-0361

Officers: William H. Michero, chairman of the board; Kenneth L. Gregson, president and chief executive officer; Michael J. Walsh, secretary; C. Gary Crow, vice president and treasurer.

Directors: William H. Michero, George R. Nugent, Kenneth L. Gregson, Robert Schatts, Roger A. Dickinson, John A. Wilson, J.C. Pace, Jr.

Divisions:

Tandy Leather Company
Production and sales of materials, kits and equipment used in leathercrafts through 270 company-owned retail and mail order stores in the United States and Canada.

Tandy Brass
Retail sales of brass furnishings and accessories through 13 company-owned stores.

Tandy Tools
Retail sales of hand and power tools in 3 company owned stores.

Subsidiaries:

Casual Concepts, Inc.
Retail sales of the "Cargo" line of casual wood furniture through 35 company-owned stores.

The Magee Company, Inc.
Production and marketing of wood and metal frames and framed prints through major retail chains and independent merchants nationwide.

Transfer Agent(s):

InterFirst Bank Fort Worth
Fort Worth, Texas

Stock Exchange(s): New York

Ticker Symbol: TAC

Number of Stores: (at fiscal year end)

1984	321	1981	455
1983	321	1980	502
1982	313		

Sales and Earnings

	Net Sales +	Net Income ‡
1984	$ 66,726,000	$ 2,699,000
1983	61,112,000	2,727,000
1982	60,936,000	8,839,000
1981	62,726,000	3,863,000
1980	58,756,000	2,375,000

	No. of Com. Shares #	Earn. per Share #‡
1984	2,473,000	$ 1.09
1983	2,552,000	1.07
1982	3,494,000	2.53
1981	3,899,000	0.99
1980	4,042,000	0.59

+ Of continuing operations only
‡ Including extraordinary gain of $6,100,000 ($1.75 per share) in 1982
# Based on the weighted average number of common shares outstanding

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 36,534,000	$ 15.71
1983	37,034,000	14.51
1982	34,357,000	13.47
1981	41,265,000	10.91
1980	38,382,000	9.87

Income Account
(000's)

Year ended June 30	1984	1983
Net sales	$ 66,726	$ 61,112
Cost of sales	34,819	30,604
Expenses	27,655	26,873
Depreciation & amortization	1,043	811
Interest income	(1,490)	(1,942)
Income before taxes	$ 4,699	$ 4,766
Income taxes	2,000	2,039
Net Income	$ 2,699	$ 2,727

Assets
(000's)

As of June 30	1984	1983
Cash	$ 13,214	$ 16,958
Accts. receiv., net	2,665	2,301
*Inventories	16,665	15,031
Other current assets	957	1,470
Current Assets	$ 33,501	$ 35,760
#Fixed assets	5,740	5,050
Other assets	590	544
Intangibles	2,264	2,267
Total Assets	$ 42,095	$ 43,621

Liabilities
(000's)

Trade accts. payable	$ 1,797	$ 2,733
Accts. payable & accruals	1,285	1,384
Accrued payroll	1,854	2,157
Income taxes	625	313
Curr. Liabilities	$ 5,561	$ 6,587
+ Common stock	4,632	4,632
Add. paid-in capital	19,991	19,852
Retained earnings	39,418	36,719
Treasury stock	(27,507)	(24,169)
Total Liabilities & Shareholders' Equity	$ 42,095	$ 43,621

* At lower of cost (average cost method) or market
# Less accumulated depreciation
+ $1 par value

Statistical Summary

% Income bef. Taxes to Sales	7.04	7.80
% Net Income to Sales	4.04	4.46
% Net Income to Equity	7.39	7.36
Sales to Inventories	4.00	4.07
Working Capital	$27,940,000	$29,173,000
Current Ratio	6.02	5.43
Shareholders' Equity	$36,534,000	$37,034,000

Thomaston Mills, Inc.

(formerly Thomaston Cotton Mills)

P.O. Box 311
Thomaston, Georgia 30286
(404) 647-6611

Officers: George H. Hightower, president; Neil H. Hightower, exec. v.p.; O.R. Lewis, sr. v.p.-director of sales; H. Stewart Davis sr. v.p.-finishing; Harry W. Ormand, Jr., v.p.-finishing; W. Harrison Hightower III, v.p.-administration; James E. Boyers, v.p.-industrial rel.; John R. Carson, v.p.-household sales; John M. Ormand, v.p.-mfg.; Thomas J. Slade, Jr., v.p.-raw material purchases; George H. Hightower, Jr. sr. v.p.-industrial sales; Garner M. Ellerbee, secretary; Rosser R. Raines, treasurer.

Directors: Thomas D. Adams, Jr., Julian T. Hightower*, William H. Hightower, Jr.*, George H. Hightower*, George H. Hightower, Jr., H. Stewart Davis, Jerry Williamson, Will B. Plowden, Julian H. Roberts, Neil H. Hightower, Don H. Wyant.

* Member of Executive Committee

Business Activities: Produces and finishes apparel and industrial fabrics, manufactures sheets and shirts, also sells its products in company-owned retail stores.

Transfer Agent(s):

The Citizens and Southern National Bank
Stock Transfer Department
P.O. Box 105555
Atlanta, Georgia 30399

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1984	3	1981	5
1983	5	1980	5
1982	5		

Sales and Earnings

	Net Sales	Net Income
1984	$ 145,431,576	$ 2,883,014
1983	122,869,174	519,463
1982*	119,682,845	971,597
1981	131,706,927	2,000,160
1980	122,575,611	2,110,027

	No. of Com. Shares	Earn. per Share ‡
1984	821,489	$ 3.51
1983	821,489	0.63
1982*	821,489	1.18
1981	821,489	2.18
1980	936,753	2.25

* 53 weeks
‡ Based on the weighted average number of common stock outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.95	—	—
1983	0.80	—	—
1982	1.10	—	—
1981	1.20	—	—
1980	1.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 49,372,228	$ 60.10
1983	47,269,629	57.54
1982	47,407,357	57.71
1981	47,339,398	57.63
1980	48,734,041	52.02

Income Account *

Year ended	6/30/84	7/2/83
Net sales	$ 145,431,576	$ 122,869,174
Cost of sales	131,154,838	113,957,603
Expenses	8,349,136	7,468,026
Other income	(306,059)	(418,433)
Other changes	1,933,647	1,636,515
Income before taxes	$ 4,300,014	$ 225,463
Income taxs (credit)	1,417,000	(294,000)
Net Income	$ 2,883,014	$ 519,463

* Included in costs and Expenses. Depreciation $6,178,811 in 1984 and $5,888,733 in 1983.

Assets

As of	6/30/84	7/2/83
Cash	$ 1,731,076	$ 1,081,631
Accts. receiv., net	24,158,059	21,162,607
*Inventories	24,376,596	21,851,215
Refundable income taxes	569,935	73,657
Other assets	540,649	534,608
Current Assets	$ 51,376,315	$ 44,703,718
#Fixed Assets	28,475,898	27,236,823
Total Assets	$ 79,852,213	$ 71,940,541

Liabilities

Accts. payable	$ 5,834,780	$ 5,884,810
Local taxes	351,231	310,533
Payroll taxes	757,568	816,266
Other liabilities	1,542,545	763,190
Accrued payroll	1,752,155	1,187,015
Long-term debt, curr. portion	312,788	281,876
Curr. Liabilities	$ 10,551,067	$ 9,243,690
Equipment note payable	18,460,993	15,100,297
Deferred inc. taxes	1,467,925	326,925
+ Common stock	9,367,530	9,367,530
Add. paid-in capital	1,190,798	1,190,798
Retained earnings	41,119,180	39,016,581
Treasury stock	(2,305,280)	(2,305,280)
Total Liabilities & Shareholders' Equity	$ 79,852,213	$ 71,940,541

* Raw cotton polyester staple and cotton content of finished goods and work in process at cost (LIFO), which is lower than current replacement market. Other inventories at lower of average cost or market.

Less accumulated depreciation.

+ $10 par value.

Statistical Summary

% Income bef. Taxes to Sales	2.96	0.18
% Net Income to Sales	1.98	0.42
% Net Income to Equity	5.84	1.10
Sales to Inventories	5.97	5.62
Working Capital	$40,825,248	$35,460,028
Current Ratio	4.87	4.84
Shareholders' Equity	$49,372,228	$47,269,629

Three D Departments, Inc.

801 Silver Lane
East Hartford, Connecticut 06118
(203) 569-6720

Mailing address:

P.O. Box 1110
Hartford, Connecticut 06101

Officers: Bernard Abrams, chairman & chief executive officer; Donald L. Abrams, president; John B. Abrahms, sr. v.p. and asst. treasurer; Howard C. Jackson, v.p. adm. & finance; David Kotkin, secretary; Robert Shutsky, treasurer; Abe Markowicz, v.p. merchandising; Ronald Dow, controller.

Directors: Bernard Abrams*, John B. Abrahms*, David Kotkin*, Howard C. Jackson, Abe Markowicz, Donald L. Abrams, Henry W. Nozko, Jr., Irving B. Yoskowitz, Gerson K. Bernstein.

* Member of the Executive Committee

Business Activities: The Company is engaged in the operation of 57 leased domestics departments in discount department stores which sell curtains and draperies, linens, towels, rugs, bedspreads, sheets and drapery hardware. Also operates a 21 store chain of Bed & Bath specialty stores. Other business activities include a jobbing operation which sell fabrics and notions at wholesale.

Transfer Agent(s):

Manufacturers Hanover Trust Co.
New York, N.Y.

Stock Exchange(s): American

Ticker Symbol: TDD

Number of Outlets: (at fiscal year end)

1984	110	1981	56
1983	78	1980	49
1982	84		

Sales and Earnings

	Net Sales ‡	Net Income
1984	$ 51,796,620	$ 1,419,011
1983	50,724,198	2,004,702
1982	48,649,635	1,817,600
1981	36,477,517	1,876,822
1980*	29,169,793	1,687,661

	No. of Com. Shares †	Earn. per Share +
1984	3,434,530	$ 0.41
1983	3,427,782	0.59
1982	3,354,868	0.52
1981	3,714,868	0.42
1980*	4,546,728	0.37

* 53 weeks.

‡ Of continuing operations only.

† Adjusted to reflect stock dividend and stock splits.

+ Based on the average number of shares outstanding adjusted to reflect stock dividend and stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.16	—	2-for-1
1983	0.16	—	3-for-2
1982	0.16	—	—
1981	0.16	10%	—
1980	0.1625	—	—

+ Adjusted to reflect stock dividend and stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 13,845,295	$ 4.03
1983	12,688,506	3.70
1982	10,866,185	3.24
1981	9,916,256	2.67
1980	10,325,369	2.27

‡ Adjusted to reflect stock dividend and stock splits.

Income Account *

Year ended	7/28/84	7/30/83
Net sales	$ 51,796,620	$ 50,724,198
Cost of sales	31,391,863	31,214,734
Expenses	17,039,421	15,378,848
Interest expense	493,825	365,314
Income before taxes	$ 2,871,511	$ 3,765,302
Income taxes	1,452,500	1,760,600
Net Income	$ 1,419,011	$ 2,004,702

* Included in Costs and Expenses. Depreciation and Amortization: $763,662 in 1984 and $619,432 in 1983.

Assets

As of	7/28/84	7/30/83
Cash	$ 936,551	$ 722,840
Accts. receiv., net	1,558,696	1,761,020
*Inventories	19,157,914	14,518,703
Prepaid expenses	550,366	471,917
Current Assets	$ 22,203,527	$ 17,474,480
#Fixed assets	4,095,258	3,287,963
Deferred costs of leases	269,337	129,922
Other assets	337,868	256,777
Total Assets	$ 26,905,990	$ 21,149,142

Liabilities

Note pay. to bank	$ 2,000,000	$ —
Accts. payable	5,069,649	4,209,845
Accruals	620,798	601,414
Income taxes	16,645	309,298
Curr. Liabilities	$ 7,707,092	$ 5,120,557
Long term debt	5,000,000	3,100,000
Deferred compensation	187,245	174,485
Def. inc. taxes	166,358	65,594
+ Common stock		
Class A	435,661	—
Class B	422,971	428,473
Add. paid-in capital	1,267,666	1,684,962
Retained earnings	11,718,997	10,575,071
Total Liabilities & Shareholders' Equity	$ 26,905,990	$ 21,149,142

* At lower of average cost (principally on the retail method) or market.

Less accumulated depreciation and amortization.

+ $0.25 par value.

Statistical Summary

% Income bef. Taxes to Sales	5.54	7.42
% Net Income to Sales	2.74	3.95
% Net Income to Equity	10.25	15.80
Sales to Inventories	2.70	3.49
Working Capital	$14,496,435	$12,353,923
Current Ratio	2.88	3.41
Shareholders' Equity	$13,845,295	$12,688,506

Thrifty Corporation

3424 Wilshire Boulevard
Los Angeles, California 90010
(213) 251-6000

Officers: Leonard H. Straus, chairman of the board & chief exec. officer; Richard G. Eils, pres. & chief operating officer; Maurice I. Liff, exec. v.p.; Dominic J. Cavallo, sr. v.p.-dir. of store operations; Kenneth M. Crosby, sr. v.p.-dir. of buying & merchandising; Robert W. Henry, Jr., sr. v.p.-dir. of real estate & construction; Richard A. Dortch, v.p.-mgt. info. services; James T. Haight, v.p., secretary & chief corp. counsel; Christian Bement, v.p.-dir. of industrial relations; Robert E. Gebhardt, v.p.-dir. of loss prevention; John Onestinghel, sr. v.p.-dir. of mfg. & distribution; R. Ricciuti, v.p.-dir. of advertising; Mildred Arnold, v.p.-buying; Iris Hackett, v.p.-gov't & community relations; Ellis H. Axelrod,-store

Thrifty Corporation

operations; James Koblensky, v.p.-buying; Richard Ramsey, v.p.-finance & treasurer; Herbert Zarrow, v.p.-pharmacy oper.; P. James Barthe, E. Charles Straus, v.p.'s-real estate; H.A. Liff, Robert W. Miller, William Newman, vice presidents; Laurence R. Abramson, v.p. & controller.

Directors: Leonard H. Straus, Harry M. Bardt, Barton Beek, R.W. Henry, Harry Liff, William S. Banowsky, Frederick T. Burrill, Richard G. Eils, Walter Ralphs.

Business Activities: Operates a chain of retail drug and discount stores principally in southern California, but also in northern California and in eight western states; also operates a chain of Big 5 Sporting Goods stores, food service units, and an importing business.

Divisions and Subsidiaries:

Thrifty Drug and Discount Stores Division
3424 Wilshire Boulevard
Los Angeles, California 90010
(213) 251-6000

Operates drug and discount stores in California, Nevada, Arizona, Idaho and Oregon under the trade name Thrifty Drug & Discount Stores.

Discount Drug Stores
3424 Wilshire Boulevard
Los Angeles, California 90010
(213) 251-6000

Operates drug and discount stores in Utah, Wyoming, Washington and New Mexico under the trade names Giant T and Thrifty Drug and Discount Stores.

Thrifty Food Operations Division
3424 Wilshire Boulevard
Los Angeles, California 90010
(213) 251-6000

Operates fountain and coffee shop facilities in California.

United Merchandising Corp.
14440 Ocean Gate Ave.
Hawthorne, California 90250
(213) 772-2772

Operates sporting goods stores in California, Washington and Nevada under the trade name "Big 5".

The Newman Importing Company, Inc.
5500 W. Jefferson Blvd.
Los Angeles, California 90016
(213) 935-7600

Operates an importing business with sales to jobbers, retailers and mail order houses.

Thrifty Realty Company
3424 Wilshire Boulevard
Los Angeles, California 90010
(213) 251-6000

Owns store properties, 3 distribution centers, manufacturing and processing plants and a headquarters complex.

Thrifty Wilshire, Inc.
3424 Wilshire Boulevard
Los Angeles, California 90010
(213) 251-6000

Jointly owns and operates Los Angeles building containing corporate office and stores.

Joint Ventures:

Crown Books Corporation (34% owned)
Washington, D.C. & Los Angeles, California

Operates 185 discount book stores in the Washington, D.C., California, Illinois, Washington and Texas areas.

Trak Auto West, Inc. (50% owned)
3424 Wilshire Boulevard
Los Angeles, California 91100

Operates a chain of 55 discount automotive parts and accessories stores in California and other western states.

Transfer Agent(s):

Bank of America, N.T. & S.A.
Los Angeles and New York

Stock Exchange(s): New York, Pacific

Ticker Symbol: TFD

Number of Stores:* (at fiscal year end)

1984	613	1981	592
1983	602	1980	585
1982	595		

* Excludes 23 food service units.

Sales and Earnings

	Net Sales	Net Income
1984	$1,299,258,000	$ 27,921,000
1983	1,187,813,000	22,503,000
1982	1,126,203,000	18,302,000
1981	1,054,418,000	17,752,000
1980	949,304,000	14,745,000

	No. of Com. Shares#	Earn. per Share #
1984	19,953,634	$ 1.40
1983	19,924,434	1.13
1982	19,898,434	0.92
1981	19,891,934	0.90
1980	19,666,714	0.75

Based on average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1984	$0.505	—	—
1983	0.44	—	2-for-1
1982	0.40	—	—
1981	0.39	—	—
1980	0.35	—	—

Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share#
1984	$ 154,040,000	$ 7.72
1983	135,962,000	6.82
1982	122,089,000	6.13
1981	111,719,000	5.61
1980	100,842,000	5.12

Adjusted to reflect stock split.

Income Account

Year ended August 31	1984	1983
Net sales	$1,299,258,000	$1,187,813,000
Cost of sales	927,730,000	853,402,000
Expenses	286,008,000	264,841,000
Depreciation & amortization	16,170,000	14,815,000
Interest expense	12,052,000	13,543,000
Interest expense (income)	2,723,000	(566,000)
Income before taxes	$ 54,575,000	$ 41,778,000
Income taxes	26,654,000	19,275,000
Net Income	$ 27,921,000	$ 22,503,000

Assets

As of August 31	1984	1983
Cash	$ 12,100,000	$ 10,867,000
Accts. receiv., net	13,430,000	10,918,000
*Inventories	233,519,000	216,126,000
Prepaid expenses	214,000	1,106,000
Deferred income taxes	4,799,000	5,432,000
Current Assets	$ 264,062,000	$ 244,449,000
#Fixed assets	139,601,000	129,914,000
Leased prop. under cap. leases	17,949,000	18,971,000
Other assets	23,871,000	26,644,000
Total Assets	$ 445,483,000	$ 419,978,000

Liabilities

Long-term debt, curr.	$ 1,793,000	$ 1,713,000
Cap. lease oblig., curr.	610,000	675,000
Accts. payable	137,929,000	116,659,000
Accruals	32,870,000	35,535,000
Income taxes	5,847,000	5,253,000
Curr. Liabilities	$ 179,049,000	$ 159,835,000
Long-term debt	63,908,000	80,990,000
Cap. lease oblig.	25,100,000	25,727,000
Deferred inc. taxes	20,340,000	16,748,000
Deferred gain	3,046,000	716,000
+ Common stock	2,725,000	2,723,000
Add. paid-in capital	4,713,000	4,485,000
Retained earnings	146,602,000	128,754,000
Total Liabilities & Shareholders' Equity	$ 445,483,000	$ 419,978,000

* At cost (LIFO)
# Less accumulated depreciation
+ No par value

Statistical Summary

% Income bef. Taxes to Sales	4.20	3.51
% Net Income to Sales	2.15	1.89
% Net Income to Equity	18.13	16.55
Sales to Inventories	5.56	5.49
Working Capital	$ 85,013,000	$ 84,614,000
Current Ratio	1.47	1.53
Shareholders' Equity	$154,040,000	$135,962,000

Toys "R" Us, Inc.

395 West Passaic Street
Rochelle Park, New Jersey 07662
(201) 845-5033

Officers: Charles Lazarus, chairman of the board & chief exec. officer; Norman Ricken, pres. and chief operating officer; Howard W. Moore, exec. v.p.-gen merchandise mgr.; Michael Goldstein, sr. v.p.-finance & treasurer; Ronald Tuchman, sr. v.p.-divisional merchandise manager; Dennis Healey, v.p.-data processing; Robert J. Weinberg, v.p. & divisional merchandise mgr.; Donald L. Margolis, v.p.-controller; Michael P. Miller, v.p.-real estate; Lester Yassky, secretary; Ernest V. Speranza, v.p.-advertising; Jeffrey S. Wells, v.p.-human resources.

Directors: Charles Lazarus, chairman of the board; Albert E. Christie, Milton S. Gould, Norman Ricken, Norman M. Schneider, Harold M. Wit, Moses Shapiro, Robert R. Bernhard, Howard W. Moore.

Business Activities: Operates 198 toy stores under the name "Toys 'R' Us", 10 "Kids 'R' Us" children's clothing stores, and 4 conventional department stores called "Boston Stores" and "The Fair", which sell a wide range of merchandise. Stores are located in California, Illinois, Indiana, Oklahoma, Louisiana, Maryland, Massachusetts, Michigan, New Jersey, New York, Rhode Island, Texas, Virginia, Wisconsin, Connecticut, Oregon and Washington. Department stores are located in New York and Michigan.

Subsidiaries:

Interstate Department Stores, Inc.
Tru Realty, Inc.

Transfer Agent(s):

The First Jersey National Bank
One Exchange Place
Jersey City, New Jersey 07302

Stock Exchange(s): New York

Ticker Symbol: TOY

Number of Retail Units: (at fiscal year end)

1985	217	1982	130
1984	175	1981	111
1983	148		

Sales and Earnings

	Net Sales +	Net Income
1985*	$1,701,700,000	$ 111,424,000
1984	1,319,642,000	92,317,000
1983	1,041,735,000	64,162,000
1982	783,285,000	48,920,000
1981	597,332,000	28,893,000

	No. of Com. Shares ‡	Earn. per Share ‡
1985*	83,153,924	$ 1.30
1984	85,395,000	1.08

1983	83,904,000	0.78
1982	79,632,000	0.63
1981	74,686,500	0.38

* 53 weeks
+ Including leased depts.
‡ Based on the weighted average number of common shares and common share equivalents adjusted to reflect reduction in the number of shares deemed outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	—	—	3-for-2
1984	—	—	3-for-2
1983	—	—	3-for-2
1982	—	—	3-for-2
1981	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 579,113,000	$ 6.96
1984	459,723,000	5.38
1983	323,476,000	3.86
1982	205,849,000	2.59
1981	150,821,000	2.02

‡ Based on the weighted average number of common shares and common share equivalents adjusted to reflect reduction in the number of shares deemed outstanding adjusted to reflect stock splits.

Income Account
(000's)

Year ended	2/3/85	1/29/84
Net sales	$ 1,701,700	$ 1,319,642
Cost of sales	1,138,862	881,258
Expenses	344,237	254,448
Depreciation & amortization	18,378	13,428
Interest expense	5,018	2,404
Interest income	(10,969)	(10,138)
Income before taxes	$ 206,174	$ 178,242
Income taxes	94,750	85,925
Net Income	$ 111,424	$ 92,317

Assets
(000's)

As of	2/3/85	1/29/84
Cash	$ 215,279	$ 235,838
Accts. receiv., net	23,407	17,909
*Inventories	397,913	264,192
Prepaid expenses	2,031	1,537
Current Assets	$ 638,630	$ 519,476
#Fixed assets	416,727	269,764
Prop. under cap leases	14,858	15,998
Other assets	23,348	14,990
Total Assets	$ 1,098,563	$ 820,228

Liabilities
(000's)

Long-term debt, curr.	$ 875	$ 1,260
Cap. lease oblig., curr	936	822
Notes payable	20,384	—
Accts. payable	250,120	184,504
Accruals	100,476	79,281
Inc. taxes pay	44,199	33,167
Curr. Liabilities	$ 416,990	$ 299,034
Long-term debt	65,079	30,913
Cap. lease oblig	20,913	21,850
Deferred inc. taxes	16,468	8,708
+ Common stock	8,315	5,405
Add. paid-in capital	200,323	191,732
Retained earnings	382,821	274,205
For. curr. trans. adjust.	(383)	—
Treasury stock	(4,352)	(4,352)
Rec. from stock options	(7,611)	(7,267)
Total Liabilities & Shareholders' Equity	$ 1,098,563	$ 820,228

* At lower of cost or market. Toy Stores merchandise is valued at LIFO while dept. store inventories are valued at FIFO.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.12	13.51
%Net Income to Sales	6.55	7.00
%Net Income to Equity	19.24	20.08
Sales to Inventories	4.28	5.00
Working Capital	$221,640,000	$220,442,000
Current Ratio	1.53	1.74
Shareholders' Equity	$579,113,000	$459,723,000

The United States Shoe Corporation

One Eastwood Drive
Cincinnati, Ohio 45227
(513) 841-4111

Officers: Philip G. Barach, chairman of the board, president & chief executive officer; Ralph O. Smith, executive vice president-shoe retailing; Thomas H. Voss, sr. v.p.-finance & administration; Howard Platt, exec. v.p. & president-footwear wholesaling & mfg.; Robert L. Altman, v.p. & pres., Red Cross Shoe Division; Joseph C. Lamb, vice president & treasurer; Robert P. Reder, v.p. & group controller; Andrew F. Robbins, group v.p. & chairman-Joyce Division; Harry S. Robinson, group v.p. & chairman- Red Cross Shoe Division; Martin Sherman, sr. v.p. & pres.-Retail Development & Services Div.; Seymour Glabman, group v.p.-woman's footwear; James J. Crowe, v.p., secretary & gen. counsel; Henry A. Billeter, v.p.-marketing & corp. dev.; Edward Klee, v.p. & controller; Louis Neusner, v.p.-merchandising operations; Robert Stix, group v.p.-mfg. & operations; James Vadis, president-specialty retailing.

Directors: Philip G. Barach, John F. Lebor, Harold O. Toor, Gilbert Hahn, Jr., Charles E. Carples, Daniel G. Ross, Albert M. Kronick, John L. Roy, Stanley H. Katz, Joseph H. Anderer, Kenneth Axelson, Robert D. Buzzell, Philip L. Lowe.

Business Activities: The Company owns and operates shoe stores and leased departments, specialty stores, and shoe manufacturing facilities.

Divisions and Subsidiaries:

The Banister Shoe Company

Wm. Hahn Co.
7600 Jefferson Avenue
Landover, Maryland 20785
(202) 322-4550
Women's and family shoe stores in 13 states and D.C. under the name Hahn Shoes.

Antics/Ups'n Downs
154 stores offering budget junior sportswear.

Caren Charles
46 stores selling medium-priced apparel for women aged 25 to 50.

August Max
95-24 63rd Road
Rego Park, New York 11374
(212) 274-9055
28 stores targeted for older, affluent female clientele.

Cincinnati Shoe Co.
11445 Century Boulevard
Cincinnati, Ohio
(513) 731-2800
Outletters - 4 off-price men's apparel stores in Atlanta.

Casual Corner
107 Phoenix Avenue
Enfield, Connecticut 06082
(203) 741-0771
516 specialty stores primarily located in shopping malls.

The Proving Ground
51 stores appealing to younger men.

J. Riggings
1018 Perimeter Mall
4400 Ashford Dunwoody Rd.
Atlanta, Georgia 30346
(216) 255-6757
184 specialty men's apparel stores.

T.H. Mandy
11 stores displaying medium-to-better grade misses apparel.

Sportique, Inc.
Ups 'n Downs, Inc.

Petite Sophisticate
Apparel retailer specializing in clothes made for smaller women.

Precision Lenscrafters
Eyewear stores.

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
New York, New York

Stock Exchange(s): New York

Ticker Symbol: USR

Number of Retail Units: (at fiscal year end)

1984	2,603	1981	1,336
1983	1,636	1980	1,033
1982	1,427		

Sales and Earnings

	Net Sales	Net Income
1984*	$1,717,401,000	$ 53,423,000
1983	1,507,773,000	75,221,000
1982	1,254,138,000	60,116,000
1981	1,087,982,000	58,761,000
1980	973,632,000	46,943,000

	No. of Com. Shares +	Earn. per Share ‡
1984*	21,789,069	$ 2.42
1983	21,485,799	3.41
1982	21,343,680	2.71
1981	21,160,544	2.66
1980	20,987,802	2.15

*53 weeks
+ Adjusted to reflect stock split
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1984	$0.83⅓	—	—
1983	0.74	—	2-for-1
1982	0.66⅔	—	—
1981	0.61⅔	—	—
1980	0.53⅓	—	—

† Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 427,828,000	$ 19.64
1983	390,242,000	18.16
1982	329,040,000	15.42
1981	283,256,000	13.39
1980	237,398,000	11.32

† Adjusted to reflect stock split

Income Account *

Year ended	2/2/85	1/28/84
Net sales	$1,717,401,000	$1,507,773,000
Cost of sales	1,042,823,000	891,817,000
Expenses	557,817,000	465,124,000
Oper. profit	$ 116,761,000	$ 150,832,000
Other expense (income)	760,000	(2,120,000)
Total	$ 116,001,000	$ 152,952,000
Interest expense	15,909,000	10,055,000
Income before taxes	$ 100,092,000	$ 142,897,000
Income taxes	46,660,000	67,676,000
Net Income	$ 53,432,000	$ 75,221,000

* Included in Costs and Expenses. Depreciation and Amortization $27,380,000 in 1985 and $21,821,000 in 1984

Assets

As of	2/2/85	1/28/84
Cash	$ 12,015,000	$ 2,471,000
Reciev., net	146,373,000	136,613,000
*Inventories	373,216,000	299,445,000
Current Assets	$ 531,604,000	$ 438,529,000
#Fixed assets	228,200,000	191,393,000
Other assets	47,376,000	40,341,000
Total Assets	$ 807,180,000	$ 670,263,000

Liabilities

Unsecured notes payable	$ 71,905,000	$ 13,338,000
Notes payable & long-term debt, curr	8,146,000	9,587,000
Accts. payable	143,135,000	107,050,000
Accruals	45,403,000	51,762,000
Income taxes	26,600,000	16,773,000
Curr. Liabilities	$ 295,189,000	$ 198,510,000
Long-term debt	42,890,000	46,939,000
Cap. lease oblig	2,714,000	2,677,000
Deferred credits	38,559,000	31,895,000
+ Common stock	2,421,000	2,387,000
Add. paid-in capital	34,692,000	32,421,000
Retained earnings	340,715,000	355,434,000
Total Liabilities & Shareholders' Equity	$ 807,180,000	$ 670,263,000

* At lower of cost (average or retail method which approximate FIFO) or market. Domestic footwear mfg. and retail shoe divisions stated at LIFO
# Less accumulated depreciation and amortization
+ No par value

Statistical Summary

%Income bef. Taxes to Sales	5.83	9.48
%Net Income to Sales	3.11	4.99
%Net Income to Equity	12.49	19.28
Sales to Inventories	11.73	5.04
Working Capital	$236,415,000	$240,019,000
Current Ratio	1.80	2.21
Shareholders' Equity	$427,828,000	$390,242,000

Victory Markets Inc.

54 East Main Street
Norwich, New York 13815
(607) 335-4711

Officers: Darryl R. Gregson, chairman of the board, president & chief executive officer; Joseph Y. Nishimura, exec. v.p. & chief financial officer; Joseph A. Natoli, sr. v.p.-store operations; Philip S. Arrone, sr. v.p.-sales & merchandising; Thomas P. Cunningham, v.p.-engineering & construction; Donald Dosch, corporate controller & asst. secretary; Jules S. Fox, v.p.-personnel & training; Raymond F. Herrington, v.p.-meat operations; Eugene B. Kulakosky, v.p.-grocery & non-foods buying; Edwin F. Oberle, v.p.-real estate; Frank L. Powell, v.p.- & secretary; Joseph V. Scotto, v.p.-produce operations; Mathew J. Smith, v.p.-management information systems

Directors: Frank L. Powell, Everett A. Gilmour, Darryl R. Gregson, Robert G. Boulton, H. William Smith, Jr., Milton F. Lewis, Joseph Y. Nishimura, Frank A. Farnsworth, Jr., Walter G. Rich

Business Activities: Engaged primarily in the retail distribution of foods and related consumer products through its retail outlets in central and northern New York and in northeastern Pennsylvania. These stores operate under the names Victory Markets, and Great American Food Stores. The stores are supplied from distribution facilities and a bakery located in Norwich, New York

Subsidiaries:

Tracy Baking Co.
Dunco Realty & Equipment Co.
U Pump'Em
Norwich Recycling Corp

Transfer Agent(s):

The National Bank & Trust Co. of Norwich
Norwich, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: VMKT (NASDAQ)

Number of Stores: (at fiscal year end)

1984	83	1981	93
1983	87	1980	100
1982	90		

Sales and Earnings

	Net Sales	Net Income
1984	$ 361,211,226	$ 2,474,016
1983	329,224,854	2,917,642
1982*	322,753,628	2,636,238
1981	300,859,271	1,012,041
1980	275,924,130	685,197

	No. of Com. Shares	Earn. per Share #
1984	1,675,910	$ 1.46
1983	1,561,826	1.72
1982*	1,491,514	1.57
1981	1,452,342	0.54
1980	1,550,302	0.36

* 53 weeks
# Based on the weighted average number of common shares outstanding adjusted to reflect stock dividends

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1984	$0.40	5%	—
1983	0.30	5%	—
1982	0.18	10%	—
1981	—	—	—
1980	0.04	2%	—

Adjusted to reflect stock dividends

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 18,858,413	$ 11.25
1983	16,915,241	10.31
1982	14,798,112	9.00
1981	13,317,978	7.56
1980	13,928,027	6.88

‡ Adjusted to reflect stock dividend

Income Account

Year ended	12/29/84	12/31/83
Net sales	$ 361,211,226	$ 329,224,854
Cost of sales	283,922,458	255,749,073
Expenses	66,468,477	63,249,197
Depreciation & amortization	4,667,797	3,967,601
Interest expense	2,021,491	1,379,451
Interest income	(116,013)	(120,110)
Income before taxes	$ 4,247,016	$ 4,999,642
Income taxes	1,773,000	2,086,000
Net Income	$ 2,474,016	$ 2,913,642

Assets

As of	12/29/84	12/31/83
Cash	$ 1,117,696	$ 847,103
Accts. receiv., net	3,235,025	2,270,103
*Inventories	20,649,008	17,319,461
Other curr. assets	2,814,279	2,150,396
Current Assets	$ 27,816,008	$ 22,587,335
#Fixed assets	36,448,155	27,010,022
Funds held for construc	1,438,292	—
Other assets	1,065,012	903,487
Total Assets	$ 66,767,467	$ 50,500,844

Liabilities

Long-term debt, curr	$ 1,985,981	$ 1,506,421
Cap. lease oblig. curr	217,317	222,337
Accts. payable & accruals	22,273,958	16,269,571
Accrued payroll	1,916,660	2,070,769
Income taxes	103,002	35,970
Curr. Liabilities	$ 26,496,918	$ 20,105,068
Long-term debt	16,387,954	8,395,523
Cap. lease oblig	3,200,705	3,418,021
Deferred inc. taxes	1,823,477	1,666,992
+ Common stock	1,063,474	995,693
Add. paid-in capital	6,728,570	5,179,840
Retained earnings	13,504,292	13,177,630
Treasury stock	(2,437,923)	(2,437,923)
Total Liabilities & Shareholders' Equity	$ 66,767,467	$ 50,500,844

* At lower of cost (FIFO or retail method) or market; grocery inventories primarily at LIFO
# Less accumulated depreciation
+ $0.50 par value

Statistical Summary

%Income bef. Taxes to Sales	1.18	1.52
%Net Income to Sales	0.68	0.89
%Net Income to Equity	13.12	17.22
Sales to Inventories	17.49	19.01
Working Capital	$ 1,319,090	$ 2,482,267
Current Ratio	1.05	1.12
Shareholders' Equity	$18,858,413	$16,915,240

Village Super Market, Inc.

733 Mountain Avenue
Springfield, New Jersey 07081
(201) 467-2200

Officers: Nicholas Sumas, chairman of the board; Perry Sumas, president; Robert Sumas, v.p. & secretary; Salvatore J. Davino, William Sumas, v.p.'s; James Sumas, v.p. & treasurer; John J. McDermott, general counsel; Frank Curci, controller; Carol Lawton, asst. secretary

Directors: Nicholas Sumas, Perry Sumas, James Sumas, George J. Andresakes, Robert Sumas, Salvatore J. Davino, John P. Williams, John Sumas, John J. McDermott, William Sumas

Business Activities: Operates a chain of supermarkets located in New Jersey and Pennsylvania, which sell "Shop-Rite" label products. Also operates two liquor stores and one variety store

Transfer Agent(s):

Midlantic National Bank
744 Broad Street
Newark, New Jersey

Stock Exchange(s): Over-the-Counter

Ticker Symbol: VLGE (NASDAQ)

Number of Stores: (at fiscal year end)

1983	24	1980	23
1982	23	1979	23
1981	23		

Sales and Earnings

	Net Sales	Net Income †
1983	$ 317,416,726	$ 1,776,000
1982	303,992,551	1,625,000
1981	268,976,145	1,357,000
1980	245,295,244	60,000
1979	232,165,164	895,000

	No. of Com. Shares ‡	Earn. per Share †
1983	586,844	$ 3.03
1982	586,844	2.77
1981	586,844	2.31

1980	586,844	0.10
1979	587,844	1.52

† Including extraordinary gain of $63,000 ($0.11 per share) in 1979.

‡ Based on common stock and Class A common stock combined.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$0.45	—	—
1982	0.60	—	—
1981	0.60	—	—
1980	0.60	—	—
1979	0.75	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1983	$ 14,993,926	$ 25.55
1982	13,363,699	22.77
1981	11,948,138	20.36
1980	10,785,332	18.38
1979	11,364,260	19.33

‡ Based on common stock and Class A common stock combined.

Income Account

Year ended	7/30/83	7/31/82
Net sales	$ 317,416,726	$ 303,992,551
Cost of sales	250,729,632	241,694,556
Expenses	59,958,633	55,381,789
Depreciation & amortization	2,874,514	2,697,480
Interest expense	1,256,9w2	1,619,262
Income before taxes	$ 2,596,975	$ 2,599,464
Income taxes	872,800	1,018,900
Eq. in inc. of unconsol. affil.	(51,557)	(44,453)
Net Income	$ 1,775,732	$ 1,625,017

Assets

As of	7/30/83	7/31/82
Cash	$ 1,349,390	$ 1,170,858
Receiv., net	1,y58,253	1,320,200
*Inventories	10,336,155	8,290,027
Prepaid expenses	297,789	212,641
Current Assets	$ 13,941,587	$ 10,993,726
Investments	2,204,033	1,948,965
#Fixed assets	23,040,961	21,207,027
Other assets	938,041	974,878
Intangibles	3,843,833	3,869,999
Total Assets	$ 43,968,455	$ 38,994,595

Liabilities

Long-term debt, curr.	$ 1,784,396	$ 1,473,696
Cap. lease oblig., curr.	375,791	384,650
Accts. payable & accruals	11,284,554	8,799,191
Income taxes	262,439	987,373
Curr. Liabilities	$ 13,707,180	$ 11,644,910
Notes & mortg. payable	6,416,778	5,042,057
Capitalized lease oblig.	8,209,058	8,585,916
Deferred inc. taxes	641,513	358,013
+ Common stock	163,172	163,172
+ Class A common stock	131,250	131,250
Add. paid-in capital	1,234,399	1,234,399
Retained earnings	13,510,105	11,879,878
Treasury stock	(45,000)	(45,000)
Total Liabilities & Shareholders' Equity	$ 43,968,455	$ 38,994,595

* Perishables at (FIFO) cost; grocery, dairy and non-foods at retail less departmental gross profit mark-ups.

# Less accumulated depreciation and amortization.

+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.82	0.86
%Net Income to Sales	0.56	0.53
%Net Income to Equity	11.84	12.16
Sales to Inventories	30.71	36.67
Shareholders' Equity	$14,993,926	$13,363,699

Waldbaum, Inc.

Hemlock Street and Boulevard Avenue
Central Islip, New York 11722
(516) 582-9300

Officers: Ira Waldbaum, president; Aaron Malinsky, exec. v.p.; Ernest Brown, sr. v.p.-sales & merchandising; George Brown, sr. v.p.-store operations; Jack Kaufman, v.p.-finance; Melvin Levy, v.p.-industrial relations; Martin Krichmar, v.p.-produce; Stanley Lang, v.p.-store operations; Dominic Piccininni, v.p.-safety & claims; Martin Waldbaum, v.p.-non-foods; Sidney Zukerman, v.p.-advertising; Erwin Hartman, v.p.-deli operations; Sheldon Levine, v.p.-security; Robert Perfido, v.p.-distribution; Louis Sollicito, v.p.-meat operations; Julia Waldbaum, secretary.

Directors: Ira Waldbaum, Julia Waldbaum, Philip Greene, Kenneth Gordon, Aaron Malinsky.

Business Activities: Operates a chain of Waldbaum's supermarkets in Brooklyn, The Bronx, Staten Island, Queens, Nassau, Suffolk, Westchester, and Rockland counties in New York State and in Connecticut; also operates Food Mart Supermarkets in Connecticut and Massachusetts.

Divisions:

Food Mart Division
Holyoke, Massachusetts

Charro
Trucking Division

Transfer Agent(s):

American Stock Transfer Co.
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WALD (NASDAQ)

Number of Stores: (at fiscal year end)

1984	141	1981	140
1983	144	1980	138
1982	142		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 1,711,923	$ 13,028
1983	1,586,895	13,940
1982	1,491,363	16,825
1981	1,375,787	10,376
1980*	1,271,624	10,828

	No. of Com. Shares	Earn. per Share #
1984	5,401,000	$ 2.41
1983	5,244,000	2.58
1982	2,622,000	3.05
1981	2,610,000	1.87
1980*	2,534,000	1.95

* 53 weeks.

# Based on the weighted average number of common shares outstanding adjusted to reflect stock dividends and stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	3%	—
1983	—	—	2-for-1
1982	—	3%	—
1981	—	3%	—
1980	—	3%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 128,432,000	$ 23.78
1983	115,411,000	21.37
1982	101,471,000	18.79
1981	86,662,000	15.64
1980	76,294,000	13.77

‡ Adjusted to reflect stock dividends and stock split.

Income Account *
(000's)

Year ended	12/29/84	12/31/83
Net sales	$ 1,711,923	$ 1,586,895
Cost of sales	1,321,459	1,235,798
Expense	362,045	325,267
Interest expense	10,696	8,993
Other income	(5,994)	(6,134)
Loss (gain) on dispos. of closed stores	369	(1,239)
Income before taxes	$ 23,348	$ 24,210
Income taxes	10,320	10,270
Net Income	$ 13,028	$ 13,940

* Included in Costs and Expenses, Depreciation: $20,044,000 in 1984 and $16,753,000 in 1983.

Assets
(000's)

As of	12/29/84	12/31/83
Cash	$ 23,639	$ 29,143
Receiv., net	9,194	8,923
*Inventories	79,418	69,640
Prepaid expenses & other assets	3,418	2,936
Current Assets	$ 115,669	$ 110,642
#Fixed assets	176,894	156,900
‡Prop. leased under cap. leases	36,993	40,085
Other assets	6,031	6,587
Total Assets	$ 335,587	$ 314,214

Liabilities
(000's)

Mortg. pay., curr.	$ 2,099	$ 1,660
Cap. lease oblig., curr.	2,427	2,467
Accts. payable	62,844	58,201
Accruals & other liabilities	32,346	28,830
Income taxes	907	337
Curr. Liabilities	$ 100,623	$ 91,495
Long-term debt	54,251	55,457
Oblig. under cap. lease	43,811	46,201
Deferred income taxes	4,789	2,759
Other liab.	3,681	2,891
+ Common stock	5,593	5,436
Add. paid-in capital	12,861	10,542
Retained earnings	112,302	101,757
Treasury stock	(2,324)	(2,324)
Total Liabilities & Shareholders' Equity	$ 335,587	$ 314,214

* At LIFO.

# Less accumulated depreciation and amortization.

‡ Less accumulated amortization.

+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.36	1.53
%Net Income to Sales	0.76	0.88
%Net Income to Equity	10.14	12.08
Sales to Inventories	21.56	22.79
Working Capital	$ 15,046,000	$ 19,147,000
Current Ratio	1.15	1.21
Shareholders' Equity	$128,432,000	$115,411,000

Walgreen Co.

200 Wilmot Road
Deerfield, Illinois 60015
(312) 948-5000

Officers: Charles R. Walgreen, III, chairman & chief exec. officer; Fred F. Canning, president & chief operating officer; Charles D. Hunter, executive v.p. & chief financial officer; H. Richard Drews, sr. v.p.-human resources; Norman B. Krone, sr. v.p.-physical resources; L. Daniel Jorndt, v.p. & treasurer; Glenn S. Kraiss, senior v.p.-Drug Store Operations; John B. Seastone, v.p.-Food Services Div.; John R. Brown, v.p.-distribution & mfg.; Vernon A. Brunner, senior v.p.-marketing; William O. Shank, v.p., gen. counsel & corp. secretary; L. Alan Crotty, v.p.-administration; Roger L. Polark, controller; Roger H. Clausen, gen. auditor; Joel H. Levin, Emily Koulogeorge, Julian A. Oettinger, asst. secretaries; Colette Hannan, Richard C. Hilderbrandt, asst. treasurers; John F. Richter, Raymond W. Wirsing, Rudolph J. Macejak, asst. controllers.

Directors: C. R. Walgreen III*, J. E. Jeuck*, J. Mitchell, A. C. Nielsen, Jr., M. R. Kephart, W. E. Cohen*, C. D. Hunter*, F. F. Canning*, William C. Musham, Leo H. Schoenhofen.

* Member of the Executive Committee

Business Activities: Operates a chain of 941 Walgreen drug stores, 80 separate restaurants, and manufacturing facilities for the production of health, beauty and household products. Also operates an international travel service and photo processing facilities.

Divisions:

Drug Store Division
Food Service Division
Manufacturing Division
Photo Processing Studios
International Travel Service

Affiliates:

Sanborn Hermanos, S.A. (46.9% owned)
SANTEPEC, S.A. (40.7%)

Operates 25 Sanborns Dept. Stores and restaurants in Mexico City, Acapulco, Monterrey and Puebla, Mexico; in addition to candy, drug and toiletry manufacturing as well as wholesaling operations, and two separate dining facilities.

Transfer Agent(s):

The First National Bank of Chicago
Chicago, Illinois

Morgan Guaranty Trust Company
New York, New York

Stock Exchange(s): New York, Midwest

Ticker Symbol: WAG

Number of Stores: (at fiscal year end)

1984	1,002	1981	821
1983	941	1980	739
1982	883		

Sales and Earnings

	Net Sales # (000's)	Net Income (000's)
1984	$ 2,744,625	$ 85,446
1983	2,360,614	69,789
1982	2,039,496	56,064
1981	1,743,471	42,127
1980	1,530,722	34,813

	No. of Com. Shares ‡	Earn. per Share ‡
1984	30,675,622	$ 2.78
1983	30,661,734	2.28
1982	30,508,938	1.86
1981	29,560,440	1.45
1980	27,851,212	1.28

Of continuing operations only
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.72	—	—
1983	0.60	—	2-for-1
1982	0.50	—	2-for-1
1981	0.44	—	—
1980	0.3875	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 414,618,000	$ 13.52
1983	351,705,000	11.47
1982	299,189,000	9.81
1981	250,503,000	8.47
1980	207,379,000	7.45

+ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Aug. 31	1984	1983
Net sales	$ 2,744,625	$ 2,360,614
Cost of sales	1,900,703	1,637,133
Expenses	691,139	601,623
Interest income	(3,030)	(3,544)
Interest expense	5,830	6,132
Gains from sale of assets	—	(1,279)
Income before taxes	$ 149,983	$ 120,549
Income taxes	69,340	53,873
Eq. in earn. of Mex. oper.	(1,205)	(3,113)
Gain on sale	(3,598)	—
Net Income	$ 85,446	$ 69,789

* Included in Costs and Expenses, Depreciation and Amortization: $28,605,000 in 1984 and $25,101,000 in 1983.

Assets
(000's)

As of Aug. 31	1984	1983
Cash	$ 20,053	$ 14,767
Marketable securities	36,540	53,063
Accounts receivable	29,000	—
Accts. receiv., net	21,485	15,480
*Inventories	406,190	326,816
Other assets	18,570	15,937
Current Assets	$ 531,838	$ 426,063
Investments	1,569	21,897
#Fixed assets	281,827	243,240
Prop. under cap. leases	25,569	26,822
Total Assets	$ 840,803	$ 718,022

Liabilities
(000's)

	1984	1983
Long-term debt, curr.	$ 2,295	$ 2,251
Accts. payable	156,042	144,281
Accrued exp. & other liab.	123,521	108,453
Dividends payable	5,522	4,599
Income taxes	31,620	13,902
Curr. maturities of oblig. under cap. leases	1,079	1,045
Curr. Liabilities	$ 320,079	$ 274,531
Long-term debt	24,472	24,821
Deferred inc. taxes	52,909	37,823
Oblig. under cap. leases	28,725	29,142
+ Common stock	78,806	79,256
Retained earnings	335,812	272,449
Total Liabilities & Shareholders' Equity	$ 840,803	$ 718,022

* At lower of cost (valued on a LIFO basis) or market
# Less accumulated depreciation
+ $2.50 par value

Statistical Summary

% Income bef. Taxes to Sales	5.46	5.24
% Net Income to Sales	3.11	2.96
% Net Income to Equity	20.61	19.84
Sales to Inventories	6.76	7.22
Working Capital	$211,759,000	$151,532,000
Current Ratio	1.66	1.55
Shareholders' Equity	$414,618,000	$351,705,000

Walker-Scott Corporation

908 Sherman Street
San Diego, California 92110
(619) 291-6800

Officers: Robert J. Dicker, president & chief executive officer; Boyd E. Alvord, senior executive vice president, chief financial officer & secretary; John W. Furlong, vice president & general manager; Leonard Villavicencio, vice president & general merchandise manager; Janet Shifflette, controller.

Directors: Barry P. Knudson, Vincent T. Godfrey, Robert Breitbard, Boyd E. Alvord, Harry Green, Nelson B. Gross, Robert J. Dicker, Pascal Dilday.

Business Activities: Operates department stores and specialty stores in southern California.

Transfer Agent(s):

California First Bank
San Diego, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WLKS (NASDAQ)

Number of Stores: (at fiscal year end)

1985	12	1982	13
1984	14	1981	12
1983	13		

Sales and Earnings

	Net Sales ‡	Net Income
1985	$ 42,852,012	$ (410,258)
1984	44,208,137	202,218
1983	45,491,829	261,659
1982	45,378,977	33,709
1981	43,105,415	782,860

	No. of Com. Shares	Earn. per Share
1985	414,125	$ —
1984	414,125	0.49
1983	414,125	0.63
1982	414,125	0.0
1981	424,145	1.85

(Loss)
‡ Includes leased departments

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.30	—	—
1984	0.30	—	—
1983	0.375	—	—
1982	0.60	—	—
1981	0.60	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 6,817,865	$ 16.46
1984	7,352,361	17.75

1983	7,274,381	17.57
1982	7,168,018	17.31
1981	7,518,269	17.73

Income Account *

Year ended Jan. 31	1985	1984
Net sales	$ 42,852,012	$ 44,208,137
Leased dept. sales	2,084,431	2,233,913
Total Income	$ 40,767,581	$ 41,974,224
Cost of sales	29,551,248	30,077,812
Expenses	10,218,635	10,200,748
Other expense	1,848,536	1,422,216
Gain on 6¼% debent	(30,580)	(38,770)
Income (loss) before taxes	$ (820,258)	$ 312,218
Income taxes (benefit)	(410,000)	110,000
Net Income (Loss)	$ (410,258)	$ 202,218

* Included in Costs and Expenses, Depreciation and Amortization: $564,633 in 1985 and $574,634 in 1984.

Assets

As of Jan. 31	1985	1984
Cash	$ 490,872	$ 343,268
Accts. & notes receiv., net	8,812,539	9,772,368
*Inventories	7,151,600	8,188,133
Prepaid expenses	590,995	406,989
Current Assets	$ 17,046,006	$ 18,710,758
#Fixed assets	2,326,410	2,744,964
Notes receivable	1,252,307	
Other property		3,146,000
Defer. charges & other assets	557,890	566,073
Total Assets	$ 21,182,613	$ 25,167,795

Liabilities

	1985	1984
Bank borrowings	$ 6,272,027	$ 6,827,355
Long-term debt, curr	503,190	286,436
Accts. payable	2,102,673	2,523,341
Inc. taxes payable	—	20,326
Accruals	1,134,565	1,379,947
Deferred inc. taxes	2,455,579	2,701,267
Curr. Liabilities	$ 12,468,034	$ 13,738,672
Long-term debt	1,896,714	4,076,672
+ Common stock	414,125	414,125
Add. paid-in capital	2,135,984	2,135,984
Retained earnings	4,267,756	4,802,252
Total Liabilities & Shareholders' Equity	$ 21,182,613	$ 25,167,795

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

	1985	1984
%Income bef. Taxes to Sales	—	0.71
%Net Income to Sales	—	0.46
%Net Income to Equity	—	2.75
Working Capital	$4,577,972	$4,972,086
Current Ratio	1.37	1.36
Shareholders' Equity	$6,817,865	$7,352,361

Wal-Mart Stores, Inc.

702 SW 8th Street
P.O. Box 116
Bentonville, Arkansas 72716
(501) 273-4000

Officers: Sam M. Walton, chairman of the board & chief exec. officer; David D. Glass, president & chief oper. officer; Jack Shewmaker, vice chairman & chief financial officer; S. Robson Walton, vice chairman, secretary & general counsel; Thomas Jefferson, exec. v.p.-special services; A.L. Johnson, exec. v.p.-mdse. & sales; Donald G. Soderquist, exec. v.p.-admin. & distribution; Paul R. Carter, exec. v.p.-spec. div.; James L. Walton, sr. v.p.; B.D. Adams, v.p.-store operations; Thomas M. Coughlin, v.p.-personnel; Larry W. Dimmit, v.p. & div. mdse. mgr.-softlines; David Dible, div. mdse. mgr.-hardlines; Bill Fields, sr. v.p. & gen. mdse. mgr.-homelines; H. "Mac" Gammon, v.p.-store operations; Glenn L. Habern, v.p.-data processing; Joseph P. Hatfield, v.p.-advertising & sales promotion; Ronald L. Loveless, sr. v.p. & general mgr.-Sam's Wholesale Club; A.L. Miles, sr. v.p.-store operations; Gary D. Reinboth, v.p.-store operations; Duane G. Naccarato, v.p.-store planning; Dean L. Sanders, v.p. & gen. mdse. mgr.-hardlines; Duane C. Shue, v.p.-construction & engineering; Duane C. Schue, v.p.-construction & engineering; Thomas P. Seay, sr. v.p.-real estate; Charles E. Self, v.p.-finance; James A. Walker, Jr., controller; Lew Skelton, v.p.-store operations; D. Ray Thomas, v.p.-store operations; Colon Washburn, sr. v.p. & gen. mdse. mgr.-apparel; Harold I. Johnson, sr. v.p.-store operations; Dwight A. Carney, v.p.-mdse. planning; Steve Furner, v.p.-store operations; David H. Gorman, v.p.-loss prevention; Harry S. Green, v.p.-store operations; Michael J. Guccione, v.p. & gen. mgr.-jewelry div.; Robert L. Hart, v.p.-store operations; William L. Hutcheson, v.p. & gen. mgr.-shoe div.; Charles Russell, v.p.-store operations; H. Lee Scott, Jr., v.p.-transportation; Vincent P. Carney; Daniel L. Davies, asst. controller's; Nick White, v.p.-operations, Sam's Wholesale Club Division; James K. Comeaux, v.p. & divisional mdse. mgr.-apparel; Steve Tiernan, v.p. & divisional mdse. mgr.-home seasonal; P. Terry Tucker, v.p. & divisional mdse. mgr.-apparel; Charles R. Ratcliff, treasurer; Bette Hendrix, asst. secretary.

Directors: Sam M. Walton*, chairman of the board; Robert Kahn; Donald G. Soderquist*; James L. Walton*; David D. Glass*; John A. Cooper, Jr.; Jackson T. Stephens; Jack Shewmaker*; James H. Jones; Sidney A. McKnight; S. Robson Walton*; A.L. Johnson*; David R. Banks; Charles Lazarus; William H. Seay.

* Member of the Executive Committee

Areas of Work: Operates retail stores in Alabama, Missouri, Kansas, Oklahoma, Tennessee, Arkansas, Illinois, Nebraska, Florida, Louisiana, Texas, Kentucky, Mississippi, Georgia and South Carolina; discount department stores operate under the names of Wal-Mart Sam's wholesale clubs.

Transfer Agent(s):

Centerre Trust Company of St. Louis
510 Locust Street
P.O. Box 14768
St. Louis, Missouri 63178

Stock Exchange(s): New York, Pacific

Ticker Symbol: New York: WMT (common stock), WMT-A (preferred stock)
Pacific: WMT

Number of Stores: (at fiscal year end)

1984	756	1981	330
1983	551	1980	276
1982	491		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1985	$ 6,400,861	$ 270,767
1984	4,666,909	196,244
1983	3,376,252	124,140
1982	2,444,997	82,794
1981	1,643,199	55,682

	No. of Com. Shares #	Earn. per Share ‡
1985	140,222,373	$ 1.91
1984	139,915,694	1.40
1983	134,423,088	0.91
1982	129,679,824	0.63
1981	129,369,780	0.43

‡ Based on the average number of shares outstanding adjusted to reflect stock dividends.
# Adjusted to reflect stock dividends.

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1985	$0.21	—	—
1984	0.14	100%	—
1983	0.09	100%	—
1982	0.065	—	—
1981	0.05	100%	—

† Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 984,672,000	$ 7.02
1984	737,503,000	5.27
1983	488,109,000	3.63
1982	323,942,000	2.50
1981	248,309,000	1.92

‡ Adjusted to reflect stock dividends.

Income Account *
(000's)

Year ended Jan. 31	1985	1984
Net sales	$ 6,400,861	$ 4,666,909
Other income	52,167	36,031
Total income	$ 6,453,028	$ 4,702,940
Cost of sales	4,722,440	3,418,025
Expenses	1,181,455	892,887
Interest & debt expense	47,713	34,881
Income before taxes	$ 501,420	$ 357,147
Income taxes	230,653	160,903
Net Income	$ 270,767	$ 196,244

* Included in Costs and Expenses, Depreciation: $66,516 in 1985 and $49,838 in 1984.

Assets
(000's)

As of Jan. 31	1985	1984
Cash	$ 1,852	$ 8,500
Marketable securities		148,360
Receiv., net	45,578	38,795
Recov. costs from sales	142,389	67,645
*Inventories	1,103,925	735,395
Prepaid expenses	9,510	6,872
Current Assets	$ 1,303,254	$ 1,005,567
#Fixed assets	467,411	317,645
Prop. held under cap. leases	402,898	310,506
Other assets & def. charges	31,666	18,536
Total Assets	$ 2,205,229	$ 1,652,254

Liabilities
(000's)

	1985	1984
Long-term debt, curr	$ 2,982	$ 1,443
Oblig. under cap. leases, curr	7,468	5,979
Accts. payable	451,427	321,830
Accruals	85,225	65,954
Accrued payroll	38,108	30,824
Income taxes	73,359	51,546
Other taxes	30,399	25,187
Curr. Liabilities	$ 688,968	$ 502,763
Long-term debt	41,237	40,866
Cap. lease oblig.	449,886	339,930
Deferred inc. taxes	34,592	24,781
Redeem. pref. stock	5,874	6,411
+ Common stock	14,022	13,992
Add. paid-in capital	189,907	183,558
Retained earnings	780,743	539,953
Total Liabilities & Shareholders' Equity	$ 2,205,229	$ 1,652,254

* At cost (LIFO) not in excess of market.
# Less accumulated depreciation
+ $0.10 par value

Wal-Mart Stores, Inc.

Statistical Summary

%Income bef. Taxes to Sales	7.83	7.65
%Net Income to Sales	4.23	4.21
%Net Income to Equity	27.50	26.61
Sales to Inventories	5.80	6.35
Working Capital	$614,286,000	$502,804,000
Current Ratio	1.89	2.00
Shareholders' Equity	$984,672,000	$737,503,000

Wards Company, Inc.

2040 Thalbro Street
Richmond, Virginia 23230
(804) 257-4292

Officers: Alan L. Wurtzel, president and chief executive officer; William D. Rivas, Daniel M. Rexinger, Richard L. Sharp, exec. v.p.'s; Edward Villanueva, v.p. & treasurer; Walter Bruckart, sr. v.p.; Eugene Koch, James N. Gillum, Kenneth Antos, v.p.'s; Michael T. Chalifour, controller; Gertrude M. Gibson, secretary; Frank Forlano, Sheldon Shapiro, Frank Bell, Richard Birnbaum, Edward Kopf, asst. v.p.'s; Lawrence A. Wilson, asst. treasurer.

Directors: Samuel Winokur, S.S. Wurtzel, Edward Villanueva*, Alan L. Wurtzel*, Hyman Meyers, Theodore Nierenberg, William D. Rivas*, Barry B. Anthony, Daniel M. Rexinger*, Douglas Drysdale, Daniel Coven, Richard N. Cooper, Richard L. Sharp*

* Member of the Executive Committee

Business Activities: Sells television appliances, audio equipment, and other consumer electronics products at 96 retail locations.

Divisions:

Circuit City & Superstores
Operates 43 retail units in the Southeastern United States

Lafayette Radio
Operates 9 retail units in the New York metropolitan area

Zody's Major Appliances
Operates 44 licensed departments in the Zodys discount department stores in Southern California

Transfer Agent(s):

United Virginia Bank
Richmond, Virginia

Stock Exchange(s): American

Ticker Symbol: WRD

Number of Stores: (at fiscal year end)

1983	96	1980	82
1982	102	1979	75
1981	97		

Sales and Earnings

	Net Sales ‡	Net Income
1984	$ 356,708,000	$ 12,009,000
1983 ×	245,914,000	5,507,000
1982 ×	176,169,000	2,935,000
1981	131,881,000	2,701,000
1980	119,609,000	2,286,000

	No. of Com. Shares +	Earn. per Share †
1984	9,882,423	$ 1.23
1983	8,433,567	0.62
1982	8,277,417	0.36
1981	6,602,877	0.39
1980	6,678,954	0.34

× Restated to reflect a retroactive reduction in the amortization value assigned to subleases.
‡ Includes operating revenues.
+ Adjusted to reflect stock splits.
† Based on the weighted average number of common share and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.039	—	3-for-1
1983	0.028	—	3-for-2
1982	0.025	—	2-for-1
1981	0.022	—	—
1980	0.022	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 47,986,000†	$ 4.86
1983 ×	26,215,000†	3.11
1982 ×	20,479,000†	2.47
1981	15,368,000	2.33
1980	13,027,000	1.95

× Restated.
‡ Adjusted to reflect stock spits.
† After allowing for preferred stock at redemption value.

Income Account *
(000's)

Year ended Feb. 28	1984	1983 ‡
Net sales & oper. rev.	$ 356,708	$ 245,914
Cost of sales	253,887	176,755
Expenses	79,140	58,194
Interest expense	1,372	1,758
Income before taxes	$ 22,309	$ 9,207
Income taxes	10,300	3,700
Net Income	$ 12,009	$ 5,507

* Included in Costs and Expenses, Depreciation and Amortization: $2,324,000 in 1984 and $1,822,000 in 1983.
‡ Restated.

Assets
(000's)

As of Feb. 28	1984	1983 ‡
Cash	$ 21,761	$ 13,548
Accts. receiv., net	8,318	3,010
*Inventories	47,346	33,291
Other assets	1,253	1,190
Current Assets	$ 78,678	$ 51,039
#Fixed assets	21,566	14,922
Other assets	5,517	- 1,644
Deferred inc. taxes	1,568	261
Tax benefit from acq.	2,573	12,449
Total Assets	$ 109,902	$ 80,315

Liabilities
(000's)

Long-term debt, curr.	$ 277	$ 1,271
Accts payable	25,545	22,175
Accruals	6,550	4,444
Accrued inc. taxes	621	224
Curr. Liabilities	$ 32,993	$ 28,114
Long-term debt	15,187	13,268
Deferred revenues	4,141	2,927
Other liabilities	1,297	485
Exc. of value received	7,707	8,713
+ Preferred stock	591	593
+ + Common stock	9,882	2,863
Add. paid-in capital	6,826	3,972
Retained earnings	6,826	19,741
Treasury stock	31,278	(361)
Total Liabilities & Shareholders' Equity	$ 109,902	$ 80,315

‡ Restated.
* At lower of cost (average) or market.
# Less accumulated depreciation and amortization.
+ $20 par value; 16¼% cum. convert.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales and Rev.	6.25	3.74
%Net Income to Sales & Rev.	3.37	2.24
%Net Income to Equity	24.72	20.54
Working Capital	$45,685,000	$22,925,000
Current Ratio	2.38	1.82
Shareholders' Equity	$48,577,000	$26,808,000

Weiman Co., Inc.

4801 West Peterson
Chicago, Illinois 60646
(312) 286-1121

Officers: Richard D. Goddard, chairman of the board & president; Ronald Meyers, exec. v.p.; Paul Bohlmann, secretary & treasurer

Directors: Richard D. Goddard, Ronald Meyers, Peter O. Fetzer, Ronald S. Sheldon

Business Activities: Manufacturer and distributor of consumer and industrial products primarily in the fields of photography and home furnishings. The photographic group sells photographic and audio visual equipment and supplies, operates film processing and development laboratories and develops negatives, prints, slides and film strips. The home furnishing group distributes correlated wallpaper and fabrics, and also operates a retail furniture store. The manufacturing company produces tooling for the automotive industry. Through its ADCO Products Division, the Company operates a mail order jewelry business.

Divisions and Subsidiaries:

Home Furnishings Group

Woodson Wallpapers Company
New York, New York

Photographic Group

Standard Photo Supply Company
Chicago, Illinois

AGS&R Studios, Inc.
Chicago, Illinois

Gamma Photo Labs, Inc.
Chicago, Illinois

National Photo and Camera Company
Chicago, Illinois

Astra Photo Service Inc.
Chicago, Illinois

Mail Order Group

ADCO Products Division
Chicago, Illinois

Manufacturing Group

Company Products, Inc.
Warren, Michigan

Transfer Agent(s):

Registrar and Transfer Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: WC

Sales and Earnings

	Net Sales +	Net income #
1983	$ 29,319,137	$ 154,000
1982	26,110,247	143,000
1981	24,382,468	452,985
1980	25,733,326	51,849
1979	23,657,723	(1,828,252)

	No. of Com. Shares	Earn. per Share ‡#
1983	735,558	$0.20
1982	735,558	0.19
1981	735,558	0.61
1980	735,558	0.06
1979	970,230	

(Loss)
+ Of continuing operations only
# Including extraordinary gains of $67,000 ($0.09 per share) in 1983, $52,000 ($0.07 per share) in 1982 and $184,000 ($0.25 per share) in 1981
‡ Based on the weighted average number of common shares and common share equivalents outstanding

Revenues By Line of Business

	1983	1982
Home furnishings	$ 2,747,000	$ 2,975,000
Photographic	23,603,000	21,399,000
Manufacturing	752,000	698,000
Mail order segment	2,264,000	1,057,000
Total	$ 29,366,000	$ 26,129,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$0.08		
1982	0.08		
1981	0.08		
1980	0.12		

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 4,663,000	$ 6.34
1982	4,569,000	6.21
1981	4,484,000	6.10
1980	4,089,000	5.56
1979	5,506,000	5.68

Income Account *

Year ended Dec. 31	1983	1982
Net sales	$ 29,319,137	$ 26,110,247
Other income	91,829	95,119
Total income	$ 29,410,966	$ 26,205,366
Cost of sales	17,164,218	15,485,530
Expense	11,483,665	9,933,589
Interest expense	591,521	630,777
Income before taxes	$ 171,562	$ 155,470
Income taxes	85,000	64,000
Net Income	$ 86,562	$ 91,470
Extraord. gain	67,000	52,000
Net Income & extraord. gain	$ 153,562	$ 143,470

* Included in Costs and Expenses, Depreciation and Amortization: $793,395 in 1983 and $730,949 in 1982

Assets

As of Dec. 31	1983	1982
Cash	$ 414,624	$ 51,419
Accts. recvs., net	3,783,567	3,466,121
*Inventories	2,825,331	2,904,049
Prepaid expenses	528,744	402,000
Current Assets	$ 7,552,266	$ 6,823,589
#Fixed assets	2,760,689	2,910,984
Other assets	225,374	292,258
Intangibles	1,140,194	1,178,802
Investment in partnership	265,925	
Total Assets	$ 11,944,448	$ 11,205,633

Liabilities

Long-term debt, curr.	$ 512,939	$ 438,162
Accts. payable	1,779,473	1,411,648
Accruals	534,144	445,543
Employee compensation	1,262,338	1,054,199
Income taxes	21,964	18,092
Curr. Liabilities	$ 4,110,858	$ 3,367,644
Long-term debt	2,946,245	3,061,362
Deferred comp.	224,000	208,000
+ Common stock	735,558	735,558
Add'l. paid-in capital	760,522	760,522
Retained earnings	3,167,265	3,072,547
Total Liabilities & Shareholders' Equity	$ 11,944,448	$ 11,205,633

* At lower of cost (LIFO) or market
# Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

%Income bef. Taxes to sales	0.59	0.60
%Net Income to Sales	0.30	0.35
%Net Income to Equity	3.29	2.00
Sales to Inventories	10.38	8.99
Working Capital	$3,441,408	$3,455,945
Current Ratio	1.84	2.03
Shareholders' Equity	$4,663,345	$4,568,627

Weis Markets, Inc.

1000 South Second Street
Sunbury, Pennsylvania 17801
(717) 286-4571

Officers: Sigfried Weis, president; Robert F. Weis, vice president and treasurer; Michael C. Rheam, vice president and secretary; Richard D. Madison, v.p.-merchandising; Alan L. Barrick, v.p.-engineering and manufacturing; Walter B. Bruce, v.p.-private label; Kenneth M. Gingrich, v.p. & controller; George J. Michalak, v.p.-perishables; John W. Phillips, v.p.; Norman S. Rich, v.p.-store operations; Richard L. Wetzel, v.p.-accounting

Directors: Sigfried Weis, Robert F. Weis, Michael C. Rheam, Charles H. Watts, II, Peter M. Sacerdote

Business Activities: Operates supermarkets in Pennsylvania, New York and Maryland, under the name of Weis Markets. The Sunbury Wholesale Seafood Company specializes in the distribution of fresh seafood and grocery items to restaurants and institutions. [illegible] operates 8 Amity House Restaurants.

Subsidiaries:

Weis Food Service
Northumberland, Pennsylvania

Transfer Agent(s):

Mellon Bank (East) N.A.
Corporate Trust Department
Philadelphia, Pennsylvania 19101

Stock Exchange(s): New York

Ticker Symbol: WMK

Number of Stores: (at fiscal year end)

1984	119	1981	110
1983	116	1980	107
1982	112		

Sales and Earnings

	Net Sales	Net Income
1984	$ 957,775,000	$ 55,307,000
1983	891,857,000	50,120,000
1982	812,215,000	43,241,000
1981	756,800,000	37,989,000
1980	684,814,000	33,091,000

	No. of Com. Shares #	Earn. per Share #
1984	20,625,811	$ 2.68
1983	20,628,683	2.43
1982	20,573,726	2.10
1981	20,551,584	1.85
1980	20,510,718	1.61

Based on the average number of shares outstanding adjusted to reflect stock splits

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.64	—	—
1983	0.56	—	3-for-2
1982	0.51	—	3-for-2
1981	0.45	—	—
1980	0.39	—	—

+ Adjusted to reflect stock splits

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 323,509,000	$ 15.68
1983	283,967,000	13.77
1982	245,186,000	11.92
1981	212,170,000	10.32
1980	183,007,000	8.92

‡ Based on the average number of shares outstanding adjusted to reflect stock splits

Income Account *

Year ended	12/29/84	12/31/83
Net sales	$ 957,775,000	$ 891,857,000
Cost of sales	713,618,000	664,422,000
Expenses	161,557,000	151,092,000
Int. & div. income	(15,814,000)	(14,414,000)
Other income	(6,198,000)	(4,985,000)
Income before taxes	$ 104,612,000	$ 95,742,000
Income taxes	49,305,000	45,622,000
Net Income	$ 55,307,000	$ 50,120,000

* Included in Costs and Expenses, Depreciation and Amortization: $14,388,000 in 1984 and $13,857,000 in 1983

Assets

As of	12/29/84	12/31/83
Cash	$ 305,000	$ 237,000
Marketable securities	193,670,000	158,448,000
Accts. recvs., net	9,446,000	7,649,000
*Inventories	62,638,000	62,275,000
Prepaid expenses & other assets	3,713,000	4,157,000
Current Assets	$ 269,772,000	$ 232,766,000
#Fixed assets	107,475,000	103,527,000
Intangibles	3,169,000	3,199,000
Total Assets	$ 380,416,000	$ 339,492,000

Liabilities

Accts. payable	$ 40,789,000	$ 37,289,000
Accruals	5,589,000	5,803,000
Contrib. to pension plans	2,182,000	2,195,000
Income taxes	4,771,000	7,855,000
Curr. Liabilities	$ 53,331,000	$ 53,142,000
Deferred income taxes	3,576,000	2,383,000
+ Common stock	5,439,000	5,276,000
Retained earnings	323,123,000	281,021,000
Treasury stock	(5,053,000)	(2,330,000)
Total Liabilities & Shareholders' Equity	$ 380,416,000	$ 339,492,000

* At lower of cost (LIFO or average cost method) or market
# Less accumulated depreciation and amortization
+ No par value

Statistical Summary

%Income bef. Taxes to Sales	10.92	10.74
%Net Income to Sales	5.77	5.62
%Net Income to Equity	17.10	17.65
Sales to Inventories	15.29	14.32
Working Capital	$216,441,000	$179,624,000
Current Ratio	5.06	4.38
Shareholders' Equity	$323,509,000	$283,967,000

Weisfield's, Inc.

800 South Michigan Street
Seattle, Washington 98108
(206) 767-5011

Officers: Herman Blumenthal, president & chief executive officer; Leslie Rosenberg, v.p.-merchandising; Sam Arnstein, v.p.-operations, Northern Region; Jerry Denning v.p.-operations, Southern Region; Gerald A. Prosio, treasurer & chief financial officer; E. Robert Nelson, v.p., gen. counsel & secretary.

Directors: Herman Blumenthal, Leslie Rosenberg, Daniel Baty, Thomas Foster, Earle Glant, David C. Wyman.

Business Activities: Operates Weisfield's Jewelry Stores in California, Washington, Oregon, Nevada, Arizona and Colorado.

Transfer Agent(s):

Seattle-First National Bank
Seattle, Washington

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WEIS (NASDAQ)

Number of Stores: (at fiscal year end)

1985	79	1982	76
1984	78	1981	73
1983	79		

Sales and Earnings

	Revenues +	Net Income
1985	$ 45,949,000	$ 1,812,000
1984	45,049,000	2,117,000
1983	43,940,894	1,568,290
1982	42,017,952	2,086,575
1981	37,884,834	2,044,862

	No. of Com. Shares †	Earn. per Share †
1985	1,303,834	$ 1.39
1984	1,305,870	1.62
1983	1,305,870	1.20
1982	1,307,964	1.60
1981	1,306,394	1.57

+ Of continuing operations only
† Based on the weighted average number of shares outstanding adjusted to reflect stock split

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1985	$0.50	—	—
1984	0.40	—	2-for-1
1983	0.40	—	—
1982	0.325	—	—
1981	0.363	—	—

†Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share †
1985	$ 21,439,000	$ 16.44
1984	20,304,000	15.55
1983	18,708,875	14.33
1982	17,662,933	13.50
1981	16,042,812	12.28

†Based on the weighted average number of shares outstanding adjusted to reflect stock split

Income Account

Year ended Jan. 31	1985	1984
Net sale	$ 45,826,000	$ 44,931,000
Other revenues	123,000	118,000
Revenues	$ 45,949,000	$ 45,049,000
Cost of sales	19,351,000	19,172,000
Expenses	17,395,000	16,286,000
Rentals	3,339,000	3,251,000
Depreciation & amortization	1,292,000	1,176,000
Interest expense	488,000	346,000
Prov. for doubtful accts.	715,000	788,000
Income before taxes	$ 3,369,000	$ 4,030,000
Income taxes	1,557,000	1,913,000
Net Income	$ 1,812,000	$ 2,117,000

Assets

As of Jan. 31	1985	1984
Cash	$ 239,000	$ 256,000
Accts. receiv., net	12,183,000	12,095,000
Other receiv.	473,000	472,000
*Inventories	15,108,000	13,694,000
Prepaid expenses	279,000	274,000
Current Assets	$ 28,282,000	$ 26,791,000
#Fixed assets	7,702,000	7,243,000
Other assets	61,000	74,000
Total Assets	$ 36,045,000	$ 34,108,000

Liabilities

Notes payable	$ 3,200,000	$ 1,475,000
Notes & trade acceptances payable	1,913,000	2,208,000
Accts. payable & accrued expenses	3,389,000	4,055,000
Accruals	1,391,000	1,505,000
Other taxes	843,000	907,000
Income taxes	3,870,000	3,654,000
Curr. Liabilities	$ 14,606,000	$ 13,804,000
+ Common stock	2,608,000	2,612,000
Add. paid-in capital	1,407,000	1,427,000
Retained earnings	17,424,000	16,265,000
Total Liabilities & Shareholders' Equity	$ 36,045,000	$ 34,108,000

* At lower of cost (LIFO) or market
# Less accumulated depreciation and amortization
+ $2 par value

Statistical Summary

% Income bef. Taxes to Sales	7.35	8.97
% Net Income to Sales	3.95	4.71
% Net Income to Equity	8.45	10.43
Sales to Inventories	3.03	3.28
Working Capital	$13,676,000	$12,987,000
Current Ratio	1.94	1.94
Shareholders' Equity	$21,439,000	$20,304,000

Wetterau Incorporated

Wetterau Incorporated
8920 Pershall Road
St. Louis, Missouri 63042

Officers: Ted C. Wetterau, chairman and chief executive officer; Robert K. Crutsinger, president and chief operating officer; John D. Ryan, exec. v.p.; Paul A. Cox, Robert J. Livingston, George H. Thomazin, sr. v.p.'s; Robert E. Mohrmann, sr. v.p.-finance; George Chirtea, first v.p.-corporate retail operations; Dick N. Dalton, first v.p.-communications and strategic planning; William D. Holley, Robert L. Pomeroy, first v.p.'s; William R. Miller, first v.p.-personnel; Robert J. Schneider, first v.p., gen. counsel and secretary; Roger D. Beard, v.p.-data processing; Kurt D. Blumenthal, controller; John R. Dickson, Richard H. Schaefer, H. Wallace Truelock, v.p.'s; Charles A. Gauen, v.p.-risk management; Lawrence C. Hild, v.p. and asst. secretary; Ronald S. Humiston, v.p.-public relations; Andrew Levy, v.p.-corporate personnel and loss prevention; Joseph W. Lintzenich, v.p.-air transportation; William E. Patton, v.p.-property and facilities; Michael L. Wantukaitis, v.p.-corporate taxes; Harlan W. Idel, treasurer; James V. Mroczkowski, asst. treasurer; A. Sue Rea, asst. secretary.

Directors: Ted C. Wetterau*, chairman; Clarence C. Barksdale, Raymond A. Bartolacci, Charles L. Cockelreas*, David R. Cowart, Paul A. Cox*, Robert K. Crutsinger*, Gene K. Davis, Robert F. Hyland, Milton F. Lewis*, Richard C. Nieman*, Jerome A. Rueff*, John D. Ryan*, Stanley Simon*, Leonard V. Waldron*

* Member of the Executive Committee

Business Activities: The company ranks as one of the largest food wholesalers in the country. Its 13 food distribution centers serve nearly 1,700 IGA, Foodland, Red & White, Bi-Rite and other retailers in 22 states. Other company subsidiaries and divisions provide a wide range of support services and products-general merchandise, insurance, transportation, bakery products, construction printing, finance, training, data processing and communication services. In addition, the company serves consumers directly through its corporate retail operations.

Divisions and Subsidiaries:

Trans Continental Leasing, Ltd.
St. Louis, Missouri

Food Lane Supermarkets

Shop 'N Save Warehouse Stores

Laneco Stores

Brights Department Stores

Lane Department Stores

Carraige Drugs

Just Be Natural

Glenn-Wohlberg & Company

Wetterau Bakery Products Division

Wetterau Incorporated (cont.)

Wetterau Builders, Inc.
St. Louis, Missouri

Wetterau Insurance Co.
Hamilton, Bermuda

Wetterau Printing Division
St. Louis, Missouri

Wetterau Finance Co.
St. Louis, Missouri

Wetterau Information Services Division
St. Louis, Missouri

Creative Management Institute
St. Louis, Missouri

Transfer Agent(s):

Centerre Trust Company of St. Louis
510 Locust Street
P.O. Box 14768
St. Louis, Missouri 63178

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WETT (NASDAQ)

Number of Stores: (at fiscal year end)

1984	56

Sales and Earnings

	Net Sales	Net Income
1984	$2,684,057,000	$ 22,151,000
1983	2,264,978,000	15,415,000
1982	1,957,198,000	1,849,000
1981	1,503,223,000	16,088,000
1980	1,239,150,000	13,828,000

	No. of Com. Shares	Earn. per Share 1
1984	10,632,000	$ 2.05
1983	10,800,000	1.91
1982	7,626,000	0.25
1981	7,555,000	2.13
1980	7,415,000	1.83

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend

Revenues By Line of Business

	1984	1983
Food distribution	$2,540,031,000	$2,138,230,000
Industries	144,026,000	126,748,000
Total	$2,684,057,000	$2,264,978,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.80	—	—
1983	0.80	—	—
1982	0.78	—	—
1981	0.70	—	—
1980	0.70	2%	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 156,803,000	$ 14.75
1983	146,684,000	13.58
1982	97,742,000	12.82
1981	104,150,000	13.79
1980	91,429,000	12.33

Income Account *
(000's)

Year ended	3/31/84	4/2/83
Net sales	$ 2,684,057	$ 2,264,978
Other income	25,806	22,702
Total income	$ 2,709,863	$ 2,287,680
Cost of sales	2,455,819	2,101,543
Expenses	206,187	145,951
Interest expense	10,733	15,248
Income before taxes	$ 37,124	$ 24,938
Income taxes	16,727	11,058
Earn. of nonconsol. subsid.	(1,754)	(1,535)
Net Income	$ 22,151	$ 15,415

* Included in Costs and Expenses, Depreciation and Amortization: $17,355,000 in 1984 and $15,200,000 in 1983

Assets
(000's)

As of	3/31/84	4/2/83
Cash	$ 23,557	$ 5,525
Accts. receiv., net	75,003	73,141
*Inventories	141,000	136,418
Prepaid expenses	10,387	13,071
Current Assets	$ 249,947	$ 228,155
Due from nonconsol. subsid.	1,528	1,349
Notes receivable	8,445	11,402
Invest. in nonconsol. subsid.	15,420	13,666
#Fixed assets	121,527	118,103
Other assets	38,291	34,352
Total Assets	$ 435,158	$ 407,027

Liabilities
(000's)

Short-term borr.	$ 1,813	$ 15,685
Long-term debt & cap. lease oblig., curr.	11,019	4,060
Accts. payable	109,080	110,661
Checks outstanding	10,409	10,200
Accruals	31,487	28,140
Income taxes	6,744	3,022
Curr. Liabilities	$ 170,552	$ 171,768
Long-term debt & cap. lease oblig.	93,710	74,019
Deferred inc. taxes	10,464	10,655
Other liabilities	3,629	3,901
+ Common stock	10,842	10,800
Add. paid-in capital	79,455	79,068
Retained earnings	70,311	56,816
Treasury stock	(3,805)	—
Total Liabilities & Shareholders' Equity	$ 435,158	$ 407,027

* At lower of cost (LIFO) or market
# Less accumulated depreciation
+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	1.38	1.10
%Net Income to Sales	0.83	0.68
%Net Income to Equity	14.13	10.51
Sales to Inventories	19.04	16.60
Working Capital	$ 79,395,000	$ 56,387,000
Current Ratio	1.47	1.33
Shareholders' Equity	$156,803,000	$146,684,000

Weyenberg Shoe Manufacturing Company

P.O. Box 1188
234 East Reservoir Avenue
Milwaukee, Wisconsin 53201

Officers: Thomas W. Florsheim, chairman of the board and chief exec. officer; Robert Feitler, president; James F. Gorman; Peter S. Grossman, v.p.-sales; Thomas O. McArdle, v.p.-merchandising; Bernard R. Toleman, secretary; Roland L. Keuler, treasurer; David N. Cooper, v.p.-manufacturing

Directors: Thomas W. Florsheim, chairman; Robert Feitler; Roland H. Wegener; M.A. Gruber; M.A. Pfaelzer; Frederick P. Stratton, Jr.; Frank W. Norris

Business Activities: Manufactures, retails and wholesales men's footwear. Operates a nationwide chain of leased shoe departments and retail shoe stores, including Brass Boot Shoe Stores.

Subsidiaries:

Nunn Bush Shoe Co., a wholly owned subsidiary of Weyenberg manufactures, wholesales and retails men's footwear. Operates leased departments and stores including Brass Boots.

Morgan Hayes division of Nunn Bush retails men's footwear through a chain of stores and leased departments in Texas.

Adler Shoe Shops, Inc., a wholly owned subsidiary of Weyenberg, operates a chain of men's shoe stores in New York.

Transfer Agent(s):

First Wisconsin Trust Company
Milwaukee, Wisconsin 53202

Stock Exchange(s): Over the Counter

Ticker Symbol: WEYS

Number of Stores: (at fiscal year end)

	Leased Depts	Co-owned Stores
1984	80	67
1983	69	70
1982	80	76
1981	74	71
1980	84	74

Sales and Earnings

	Net Sales	Net Income
1984	$ 108,422,459	$ 4,304,600
1983	103,654,281	3,902,973
1982	97,521,043	3,239,851
1981	92,321,946	3,131,963
1980	80,925,259	1,288,199

	No. of Com. Shares †	Earn. per Share †
1984	598,915	$ 7.19
1983	600,704	6.50
1982	583,453	5.55
1981	687,132	4.56
1980	702,524	1.83

† Based on the weighted average number of shares outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.26		
1983	1.19		
1982	1.16		
1981	1.12		
1980	1.08		

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 28,907,672	$ 48.27
1983	25,441,172	42.35
1982	22,299,508	38.22
1981	22,309,796	32.47
1980	20,793,866	29.60

‡ Based on the weighted average number of shares outstanding

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 108,422,459	$ 103,654,281
Cost of sales	72,354,488	70,064,647
Expenses	28,416,166	26,675,844
Oper. profit	$ 7,651,805	$ 6,913,790
Interest expense	329,115	10,392
Interest & other income	(690,910)	(523,575)
Income before taxes	$ 8,013,600	$ 7,426,973
Income taxes	3,709,000	3,524,000
Net Income	$ 4,304,600	$ 3,902,973

* Included in Costs and Expenses, Depreciation and Amortization: $1,119,924 in 1984 and $1,076,107 in 1983

Assets

As of Dec. 31	1984	1983
Cash	$ 7,057,615	$ 4,918,067
Accts. receiv., net	17,108,852	16,068,406
*Inventories	11,256,602	14,051,432
Prepaid expenses	7,141	146,488
Current Assets	$ 35,430,210	$ 35,184,393
Investments	138,319	190,220
#Fixed assets	6,755,268	6,653,796
Total Assets	$ 42,323,797	$ 42,028,409

Liabilities

Notes payable	$ —	$ 3,000,000
Accts. payable	5,648,925	5,840,321
Dividend payable	186,128	173,672
Accruals	3,107,832	3,158,457
Income taxes	990,521	948,897
Curr. Liabilities	$ 9,933,406	$ 13,121,347
Deferred invest. grant	908,719	988,890
Deferred inc. taxes	2,574,000	2,477,000
+ Add. paid-in capital	1,335,182	1,335,182
Retained earnings	43,555,935	39,981,935
Treasury stock	(15,983,445)	(15,875,945)
Total Liabilities & Shareholders' Equity	$ 42,323,797	$ 42,028,409

* At LIFO cost
# Less accumulated depreciation and amortization
+ $1 par value

Weyenberg Shoe Manufacturing Company

Statistical Summary

%Income bef. Taxes to Sales	7.39	7.17
%Net Income to Sales	3.97	3.77
%Net Income to Equity	14.89	15.34
Sales to Inventories	9.63	7.38
Working Capital	$25,496,804	$22,063,046
Current Ratio	3.57	2.68
Shareholders' Equity	$28,907,672	$25,441,172

Wherehouse Entertainment, Inc.

(formerly Integrity Entertainment Corp.)

14100 South Kingsley Drive
Gardena, California 90249
(213) 538-2314

Officers: Louis A. Kwiker, president & chief executive officer; Jeffrey D'Arcy, v.p.-real estate; Alan Pachtman, v.p., treasurer & secretary; Gary Leonhard, v.p.-sr. product mgr.; John Scales, sr. v.p.-operations; Sharon Foster, v.p.-human resources administration; Glenn Mosley, v.p.-warehouse operations; Richard H. Chapin, sr. v.p. & chief financial officer; Mary A. Keller, sr. v.p.-human resources; James E. Lara, sr. v.p. & gen. mdse. mgr.; Kelly Conway, v.p.-advertising; Kenneth Leonard, v.p.-loss prevention and safety; Raphy Levy, controller; Jesse Stancarone, v.p.-management information systems.

Directors: Louis A. Kwiker, Lawrence R. Harris, Donald E. Martin, George A. Smith, Joel D. Tauber, Michael T. O'Kane.

Business Activities: Specialty retailers of home entertainment and information software, including prerecorded music, video movies and music, blank video ad audio tape and personal and home computer software. The majority of stores are in California with the remainder in neighboring states.

Transfer Agent(s):

Continental Stock Transfer & Trust Company
Jersey City, New Jersey

Stock Exchange(s): American

Ticker Symbol: WEI

Number of Stores: (at fiscal year end)

1984	134	1981	139
1983	126	1980	131
1982	N.A.		

N.A. Not Available

Sales and Earnings

	Revenue	Net Income
1984	$ 105,542,000	$ 4,467,000
1983	82,810,000	2,148,000
1982	85,401,000	928,000
1981	82,654,197	2,369,528
1980	68,308,955	271,500

	No. of Com. Shares #	Earn. per Share #
1984	3,727,000	$ 1.20
1983	3,056,000	0.70
1982	2,994,000	0.31
1981	3,009,761	0.79
1980	2,961,578	0.09

(Loss)
Based on the weighted average number of common shares outstanding

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 21,635,000	$ 5.80
1983	7,565,000	2.48
1982	6,896,000	2.30
1981	5,890,238	1.96
1980	3,862,335	1.30

Based on the weighted average number of common shares outstanding

Income Account *

Year ended June 30	1984	1983
Net sales	$ 105,542,000	$ 82,810,000
Cost of sales	63,640,000	52,360,000
Expenses	33,828,000	25,768,000
Interest expense	1,058,000	986,000
Interest & other inc	(771,000)	(204,000)
Income bef. taxes	$ 7,787,000	$ 3,900,000
Income taxes	3,320,000	1,752,000
Net Income	$ 4,467,000	$ 2,148,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,516,000 in 1984 and $1,063,000 in 1983

Assets

As at June 30	1984	1983
Cash	$ 6,107,000	$ 3,001,000
Receivables, net	1,103,000	243,000
*Inventories	27,425,000	16,453,000
Video rental tapes	8,175,000	4,303,000
Prepaid expenses	1,485,000	693,000
Current Assets	$ 44,295,000	$ 24,693,000
#Fixed assets	7,032,000	5,387,000
Other assets	1,455,000	860,000
Total Assets	$ 52,782,000	$ 30,940,000

Liabilities

Notes payable	$ 2,000,000	$ -
Long-term debt, curr	480,000	742,000
Accts. payable	19,642,000	13,358,000
Accruals	2,095,000	1,332,000
Income taxes	78,000	344,000
Other taxes	400,000	259,000
Curr. Liabilities	$ 24,695,000	$ 16,035,000
Long-term debt	6,452,000	7,340,000
+ Common stock	49,000	30,000
Add. paid-in capital	8,769,000	344,000
Receiv. from stock plan	(280,000)	(1,439,000)
Retained earnings	13,097,000	8,630,000
Total Liabilities & Shareholders' Equity	$ 52,782,000	$ 30,940,000

* At lower of cost (LIFO and FIFO) or market
# Less accumulated depreciation and amortization
+ $0.01 par value

Statistical Summary

%Income bef. Taxes to Sales	7.38	4.71
%Net Income to Sales	4.23	2.59
%Net Income to Equity	20.65	28.39
Sales to Inventories	3.85	5.03
Working Capital	$19,600,000	$8,658,000
Current Ratio	1.79	1.54
Shareholders' Equity	$21,635,000	$7,565,000

Wickes Companies, Inc.

(formed through the merger of The Wickes Corporation with Gamble-Skogmo)

3340 Ocean Park Boulevard
Santa Monica, California 90405
(213) 452-0161

Officers: Sanford C. Sigoloff, chairman of the board, president & chief executive officer; Wilhelm A. Mallory, exec. v.p. & chief financial officer; Lawrence P. Friedman, sr. v.p.-human resources; Seymour Stasberg, sr. v.p.-strategic planning; Ronald D. Strongwater, sr. v.p.-real estate & group officer; James M. Van Tatenhove, sr. v.p.-administration; Raymond J. Byrne, v.p.; James N. Castelberry, v.p.-controls evaluation and compliance; Robert S. Fenton, v.p.-tax; Dale F. Lake, v.p.-management information systems; Bill J. Mann, v.p.-corporate information services; Michael S. Sitrick, sr. v.p.-communications; Michael Jamieson, v.p. & controller; Ervin J. Bolks, v.p. and treasurer; Alvin G. Segel, sr. v.p. general counsel and secretary; M. Douglas Fisher, v.p.-risk management; Michael Jamieson, v.p. and controller.

Directors: Sanford C. Sigoloff, Jeffrey Chanin, Rita E. Hauser, Ellsworth L. Johnson, Preston Silhaugh, Wilhelm Mallory, Peter Sweet, Edmund M. Kaufman

Areas of Work: Wickes Companies operate a large variety of retail outlets throughout the United States. Wickes Lumber operates 236 lumber and building supply stores in 36 states. Builders Emporium is a chain of 60 home improvement centers in California. Wickes Europe owns 68 home centers in The Netherlands, Belgium, West Germany, France, and Great Britain. Gambles stores operate through 620 dealer-owned and company-owned outlets which specialize in hard lines such as hardware, appliances, automotive equipment and home improvement items. Wickes International operates three-building materials trading centers in Saudi Arabia.

The food and drug operations of the company are comprised of Red Owl which operates 311 supermarkets in the upper Midwest, including 39 Country Store outlets which emphasize low-overhead merchandising, and Snyder's, which has 206 company-owned and independent drug stores offering professional pharmacies and a variety of health care products.

General merchandising and specialty retailing activities are conducted by Wickes Furniture, which sells home furnishings in 15 warehouse showrooms, Leath operating 36 furniture centers in the Midwest and Florida, Howard Brothers, which operates 89 discount department stores in 10 Southern states, Mode O'Day, which operates 67 women's apparel stores under the Double Up, Fashion Crossroads, and Sarco names also manufactures women's fashions which are merchandised through 750 company-owned and dealer-owned outlets. Other retail operations are: Woman's World Shops, consisting of 123 specialty stores in metropolitan markets featuring quality, branded fashions in large and half-sizes.

Other business activities include the manufacture of furniture through Yorktowne.

The Company also operates Wickes Credit, which purchases and finances accounts receivable generated by the retailing divisions of Wickes. Western Diversified Services offers credit life and credit accident and health insurance to customers and unrelated companies.

Divisions and Subsidiaries:

Builders Emporium
2162 Michelson Drive
Irvine, CA 92715
(714) 975-0808

Gamble Stores Division
5100 Gamble Drive
Minneapolis, Minnesota 55481
(612) 374-6256
Operates and franchises hardlines stores.

Howard Bros. Discount Stores, Inc.
3030 Aurora
Monroe, Louisiana 71201
(318) 387-6471

Leath Home Furnishings
7111 North Lincoln Avenue
Chicago, Illinois 60646
(312) 675-1980

Mode O'Day Company
2130 North Hollywood Way
Burbank, California 91505
(213) 843-4340

Red Owl Stores, Inc.
215 Excelsior Avenue East
Hopkins, Minnesota 55343
(612) 932-2395

Snyder Drug Stores, Inc.
215 Excelsior Avenue East
Hopkins, Minnesota 55343
(612) 932-2432

Woman's World Shops, Inc.
8000 Parkway Drive
La Mesa, California 92041
(714) 460-5902

Wickes Europe (Wickes International Corporation)
Sweelinckplein 1
The Hague, The Netherlands

Wickes Furniture
351 West Dundee Road
Wheeling, Illinois 60090
(312) 541-0100

Wickes International
Jeddah, Khobar & Riyadh
Saudi Arabia

Wickes Lumber
515 North Washington Avenue
Saginaw, Michigan 48607
(517) 754-9121

Sequoia Supply, Inc
30160 S.W. Orepac Avenue
Wilsonville, Oregon 97070
(503) 682-2822

Western Diversified Services Group
351 West Dundee Road
Wheeling, Illinois 60090
(312) 541-5800

Wickes Credit Corporation
351 West Dundee Road
Wheeling, Illinois 60090
(312) 541-0100

Yorktowne
P.O. Box 231
Red Lion, Pennsylvania 17356
(717) 244-4011

Transfer Agent(s):

J. Henry Schroder
Bank and Trust Company of New York
One State Street
New York, N.Y. 10015

Stock Exchange(s): Pacific, Midwest

Ticker Symbol: WKS

Number of Stores: (at fiscal year end)

1984	2,000

Sales and Earnings

	Net Sales + (000's)	Net Income # (000's)
1985	$ 3,031,386	$ 296,536
1984	2,875,085	24,794
1983	2,638,215	(248,682)
1982	3,517,208	(258,253)
1981	2,486,824	8,276

	No. of Com. Shares	Earn. per Share ‡#
1985	95,903,000	$ 20.30
1984	14,585,000	1.72
1983	14,385,000	—
1982	14,208,000	—
1981	13,844,000	0.48

(Loss)
+ Of continuing operations only
# Including extraordinary gains of $279,522,000 ($19.13 per share) in 1985 and $11,618,000 ($0.81 per share) in 1984
‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$ —	—	—
1984	—	—	—
1983	—	—	—
1982	0.52	5%	—
1981	1.04	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1985	$ 340,333	$ 3.55
1984	(207,680)	—
1983	(230,206)	—
1982	23,124	1.63
1981	294,495	21.27

(Deficiency)

Income Account
(000's)

Year ended	1/26/85	1/28/84
Net sales	$ 3,031,386	$ 2,875,085
Cost of sales	2,864,187	2,726,835
Taxes	45,354	42,450
Depreciation & amortization	42,635	38,248
Rents	41,894	43,407
Interest expense	17,775	20,369
Gain on sale of eq secur	—	(11,298)
Eq. in inc. of unconsol. subsid.	(2,469)	(1,939)
Eq. in income of investee co	—	(2,716)
Income before taxes	$ 22,010	$ 19,729
Income taxes	12,293	10,231
Income-cont. oper	$ 9,717	$ 9,498
Income-discont. oper	7,297	3,678
Net Income	$ 17,014	$ 13,176
Extraordinary gain	279,522	11,618
Net Income & extraord. gain	$ 296,536	$ 24,794

Assets
(000's)

As of	1/26/85	1/28/84
Cash & Short-term invest	$ 107,330	$ 266,384
Receiv., net	296,811	324,251
*Inventories	460,123	512,327
Assets of discont. oper	43,114	22,030
Other curr. assets	23,523	15,150
Current Assets	$ 930,901	$ 1,140,142
Investments in unconsol. subsid.	12,836	12,930
#Fixed assets	320,233	348,307
Other assets	39,408	108,542
Investments & other receiv	9,630	29,024
Total Assets	$ 1,313,008	$ 1,638,945

Liabilities
(000's)

Notes payable	$ 1,651	$ 1,404
Long term debt	97,535	1,813
Accts. payable	147,426	147,559
Accruals	152,408	167,714
Other liabilities	6,041	5,090
Curr. Liabilities	$ 405,061	$ 323,580
Liab. subj. to Chap. XI proc	—	1,284,096
Long-term debt	459,687	108,494
Cap. lease oblig	83,245	86,030
Deferred inc. taxes	24,682	15,267
+ Redeem. pref. stock	—	29,158
+ Common stock	9,590	35,963
Add. paid-in capital	393,078	113,867
Retained earnings (deficit)	(50,685)	(347,221)
For. curr. trans. adjust	(11,650)	(10,289)
Total Liabilities & Shareholders' Equity	$ 1,313,008	$ 1,638,945

* At lower of cost (FIFO) or market, not in excess of net realizable value
# Less accumulated depreciation and amortization
+ $0.10 par value, 1985; $2.50 par value, 1984

Statistical Summary

% Net Income to Equity	5.00	—
Sales to Inventories	6.59	5.61
Working Capital	$525,840,000	$816,562,000
Current Ratio	2.30	3.52
Shareholders' Equity (Deficiency)	$340,333,000	$(207,680,000)

Wieboldt Stores, Inc.

One North State Street
Chicago, Illinois 60602
(312) 782-1500

Officers: Jerome M. Schottenstein, chairman of the board; David C. Keller, president & chief executive officer; Lawrence I. Rosen, exec. v.p. & gen. merch. mgr.; Thomas R. Ketteler, v.p.-finance; Kenneth E. Rapacz, v.p. & secretary - treasurer; John L. Grimes, v.p. & gen. oper. mgr.; Leon M. Recob, v.p.-sales promotion; Joyme Grenis, v.p.-human resources; John L. Kufner, v.p.-stores; Gary D. Boubek, controller, asst. treas. & asst. secretary; Neil Beelman, asst. secretary

Directors: Robert A. Podesta, William W. Darrow, David C. Keller, Jerome M. Schottenstein, Irving Harris, Myron Kaplan, George Kolber, James M. Jacobson, Albert Roth

Business Activities: Operates department stores throughout the metropolitan area of Chicago

Transfer Agent(s):

Continental Illinois National Bank and Trust
Company of Chicago
Chicago, Illinois

Stock Exchange(s): New York

Ticker Symbol: WIE

Number of Stores: (at fiscal year end)

1984	13	1981	14
1983	13	1980	13
1982	14		

Sales and Earnings

	Net Sales ‡	Net Income
1985	$ 191,216,000	$ (1,731,000)
1984	181,404,000	(3,470,000)
1983	179,138,360	(1,930,476)
1982	177,873,568	893,245
1981	164,855,355	1,709,358

	No. of Com. Shares #	Earn. per Share #
1985	2,765,574	$ —
1984	2,765,574	—
1983	2,765,574	—
1982	2,765,574	0.32
1981	2,764,728	0.61

(Loss)
‡ Includes sales of leased departments
# Based on the average number of common shares and common share equivalents outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$ —	—	—
1984	—	—	—
1983	—	—	—
1982	0.33	—	—
1981	0.44	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 30,279,048	$ 10.95
1984	32,010,064	11.57
1983	35,463,543	12.82
1982	37,408,869	13.53
1981	37,441,299	13.54

Income Account

Year ended	2/2/85	1/28/84
Net sales	$ 191,215,590	$ 181,403,633
Cost of sales	139,292,403	131,858,447
Expenses	4,844,180	44,184,187
Depreciation & amortization	7,851,990	4,971,270

Wieboldt Stores, Inc.

Interest on long-term debt. and capital lease oblig	1,362,943	6,909,812
Loss bef. taxes	$ (3,341,063)	$ (6,520,083)
Tax credit	(1,610,000)	(3,050,000)
Net Loss	$ (1,731,063)	$ (3,470,083)

Assets

As of	2/2/85	1/28/84
Cash	$ 478,764	$ 1,254,714
Accts. receiv., net	40,197,984	38,176,946
*Inventories	18,029,420	15,148,440
Prepaid expenses	1,193,597	1,050,898
Current Assets	$ 59,899,765	$ 55,630,998
#Fixed assets	61,534,252	65,882,842
Other assets	2,807,279	2,163,201
Total Assets	$ 124,241,296	$ 123,677,041

Liabilities

Notes payable	$ 19,000,000	$ 19,500,000
Accts. payable	15,622,405	7,870,342
Accruals	3,622,604	3,687,881
Accrued payroll	3,757,193	3,118,089
Other taxes	6,739,093	6,252,684
Curr. portion of long term debt. and capital lease	3,742,346	2,870,545
Curr. Liabilities	$ 52,483,641	$ 43,299,541
Long-term debt	29,753,948	34,179,798
Capital lease oblig non-curr	6,194,309	7,486,563
Miscellaneous	1,772,381	1,249,077
Deferred inc. taxes	3,575,556	5,190,069
+ Preferred stock	177,100	254,300
+ + Common stock	6,481,036	6,481,036
Add. paid-in capital	11,369,965	11,362,246
Retained earnings	14,747,574	16,488,625
Treasury stock	(2,314,214)	(2,314,214)
Total Liabilities & Shareholders' Equity	$ 124,241,296	$ 123,677,041

* At cost (LIFO) not in excess of market

# Less accumulated depreciation

+ No par value, $4.25 cumulative, stated value $100 per share

+ + No par value

Statistical Summary

Sales to Inventories	10.61	11.98
Working Capital	$7,416,124	$12,331,457
Current Ratio	1.14	1.28
Shareholders' Equity	$30,461,463	$32,271,993

Wiener Enterprises Inc.

5725 Powell Street
Harahan, Louisiana 70183
(504) 733-7055

Mailing address

P.O. Box 23607
New Orleans, Louisiana 70183

Officers: Philip Birch, chairman of the board; David D. de Carle, vice chairman of the board; Sander N. Wiener, president & chief executive officer; Norris J. Gremillion, exec. v.p.; Jules Watsky, sr. v.p.; J. Michael Doherty, sr. v.p., secretary and treasurer; John W.E. Sharp, exec. v.p.; J. Randy Ferguson, sr. v.p.; Frank C. Shows, v.p.

Directors: Philip Birch, chairman; David D. de Carle; Norris J. Gremillion*; Sander N. Wiener*; Allen A. Copping; Jules Watsky*; Sidney C. Pulitzer; Stanley E. Ellington, Jr.; Philip C. Kezvil; F.C. Marrison; C. Gorham Phillips; John W.E. Sharp

* Member of the Executive Committee

Business Activities: Operates specialty apparel shops and shoe stores in Louisiana, Texas, Florida, Arkansas, Mississippi, Alabama, Tennessee, Georgia, Kansas, North Carolina, Kentucky, South Carolina, Missouri and Oklahoma. These stores operate under the names Shoe Town and Shoe Lodge, Danny's, The Ranch (casual wear operations) and Stamina.

Transfer Agent(s):

Texas Commerce Bank, N.A.
Texas Commerce Tower - 600 Travis
Houston, Texas 77002

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WENT (NASDAQ)

Number of Stores: (at fiscal year end)

1984	201	1981	136
1983	N.A.	1980	148
1982	N.A.		

N.A.–Not Available

Sales and Earnings

	Net Sales	Net Income †
1985	$ 55,413,000	$ 3,150,000
1984	51,054,000	3,050,000
1983	46,017,000	(1,063,000)
1982	65,996,000	(148,000)
1981*	58,263,000	144,000

	No. of Com. Shares +	Earn. per Share †‡
1985	2,336,000	$ 1.35
1984	2,318,000	1.32
1983	2,276,000	—
1982	2,276,000	—
1981*	2,182,000	0.07

* 53 weeks

(Loss)

† Including extraordinary gain of $530,000 ($0.23 per share) in 1984

+ Adjusted to reflect stock split

‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock split

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1985	$0.44	—	—
1984	0.035	—	2 for 1
1983	0.02	—	—
1982	0.02	—	—
1981	0.025	—	

‡ Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share‡
1985	$ 13,801,000	$ 5.91
1984	11,642,000	5.03
1983	8,585,000	3.77
1982	9,693,000	4.26
1981	9,806,000	4.34

‡ Adjusted to reflect stock split

Income Account *

Year ended	1/26/85	1/28/84
Net sales	$ 55,413,000	$ 51,054,000
Cost of sales	29,932,000	28,322,000
Expenses	19,642,000	17,846,000
Interest expense	100,000	296,000
Income before taxes	$ 5,739,000	$ 4,590,000
Income taxes	2,589,000	2,070,000
Net Income & Extraord. gain	$ 3,150,000	$ 2,520,000
	—	530,000
Net Income & extraord. gain	$ 3,150,000	$ 3,050,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,486,000 in 1985 and $1,364,000 in 1984

Assets

As of	1/26/85	1/28/84
Cash	$ 1,611,000	$ 2,498,000
Receiv., net	378,000	275,000
*Merchandise inventory	12,847,000	10,425,000
Prepaid expenses	213,000	146,000
Current Assets	$ 15,049,000	$ 13,344,000
Other assets	171,000	163,000
#Fixed assets	5,740,000	5,018,000
Intangibles	115,000	122,000
Total Assets	$ 21,075,000	$ 18,647,000

Liabilities

Long-term debt, curr.	$ 283,000	$ 310,000
Accts. payable & accruals	5,035,000	3,350,000
Income taxes	285,000	1,408,000
Curr. Liabilities	$ 5,603,000	$ 5,068,000
Long-term debt	1,671,000	1,937,000
+ Common stock	2,336,000	2,318,000
Add. paid-in capital	66,000	50,000
Retained earnings	11,399,000	9,274,000
Total Liabilities & Shareholders' Equity	$ 21,075,000	$ 18,647,000

* At lower of cost or market as determined by the retail method

# Less accumulated depreciation and amortization

+ $1 par value

Statistical Summary

% Income bef. Taxes to Sales	10.36	8.99
% Net Income to Sales	5.68	4.94
% Net Income to Equity	22.82	21.65
Sales to Inventories	4.31	4.90
Working Capital	$ 9,446,000	$ 8,276,000
Current Ratio	2.69	2.63
Shareholders' Equity	$13,801,000	$11,642,000

The William Carter Company

963 Highland Avenue
Needham Heights, Massachusetts 02194
(617) 444-7500

Officers: Manson H. Carter, chairman of the board & chief exec. officer; Richard G. Holland, Jr., president & chief operating officer; Phillip S. Sumpter, sr. v.p. finance; James F. Mulcahy, Jr., sr. v.p. sales; Thomas W. Roberts, Jr., sr. v.p. manufacturing; William H. Carter, II, v.p. licensing & export; John G. Heald, v.p. national accounts; Richard P. Kirchner, v.p. corporate planning; Robert S. Miller, v.p. sales, Eastern Region & special research; L. Terry Louis, v.p. sales; John E. Cash, v.p. sales, Midwestern Region; Donald J. Griffin, sr. v.p. merchandising; John A. MacEachern, v.p. sales, Western Region; Thomas A. Moore, treasurer; Fred L. Morse, asst. treasurer & asst. secretary

Directors: Richard G. Holland, Jr.; Dana P. Carter; Manson H. Carter; Richard O. Howe; Richard W. Southgate; E. Morton Jennings, Jr.; William H. Carter II; Donald J. Griffin; Ellis E. Meredith

Business Activities: Engaged in the production and sale of infantswear and playwear, sleepwear and underwear for children, under the brand name of "Carter's." Operates outlet stores which sell Carter products.

Divisions:

Singing Needles Division
Leola, Pennsylvania

Transfer Agent(s):

The William Carter Company
Needham Heights, Massachusetts

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1984	72	1981	51
1983	62	1980	39
1982	56		

Sales and Earnings

	Net Sales	Net Income †
1984	$ 219,230,000	$ 5,543,000
1983	210,000,000	7,585,000
1982	192,191,000	6,878,000
1981	189,695,000	6,842,000
1980	171,071,000	6,043,000

	No. of Com. Shares ‡	Earn. per Share †‡
1984	1,717,637	$ 3.23
1983	1,696,723	4.47
1982	1,682,970	4.09
1981	1,679,688	4.07
1980	1,678,722	3.60

† Including extraordinary gain of $1,751,000 ($1.02 per share) in 1984.

‡ Based on the weighted average number of common shares and common stock equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$0.77⅓		3-for-2
1983	0.67⅓		
1982	0.59⅓	—	2-for-1
1981	0.51⅓		
1980	0.44		

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share‡
1984	$ 72,254,000	$ 42.07
1983	67,740,000	39.92
1982	61,022,000	36.26
1981	55,018,000	32.75
1980	49,011,000	29.20

‡ Adjusted to reflect stock splits.

Income Account *

Year ended	12/29/84	12/31/83
Net sales	$ 219,230,000	$ 210,000,000
Cost of sales	160,290,000	149,443,000
Expenses	48,382,000	43,903,000
Interest expense	5,350,000	3,779,000
Other income	(1,040,000)	(962,000)
Income before taxes	$ 6,248,000	$ 13,837,000
Income taxes	2,456,000	6,252,000
Net Income	$ 3,792,000	$ 7,585,000
Extraordinary gain	1,751,000	—
Net Income & extraord. gain	$ 5,543,000	$ 7,585,000

* Included in Costs and Expenses: Depreciation: $3,638,000 in 1984 and $3,266,000 in 1983.

Assets

As of	12/29/84	12/31/83
Cash	$ 886,000	$ 1,683,000
Accts. receiv., net	27,273,000	24,845,000
*Inventories	77,305,000	73,462,000
Prepaid expenses	1,228,000	947,000
Current Assets	$ 106,692,000	$ 100,937,000
#Fixed assets	36,836,000	27,475,000
Total Assets	$ 143,528,000	$ 128,412,000

Liabilities

Notes payable	$ 2,299,000	$ 2,068,000
Accts. payable	10,621,000	13,607,000
Accruals	6,827,000	6,712,000
Income taxes	769,000	1,573,000
Other liab.	2,091,000	1,938,000
Curr. Liabilities	$ 22,597,000	$ 25,898,000
Notes payable	44,274,000	30,606,000
Deferred inc. taxes	4,403,000	4,168,000
+ Common stock	8,624,000	5,684,000
Add. paid-in capital	90,000	296,000
Retained earnings	63,540,000	61,760,000
Total Liabilities & Shareholders' Equity	$ 143,528,000	$ 128,412,000

* At lower of cost (FIFO) or market

Less accumulated depreciation

+ $5 par value

Statistical Summary

%Income bef. Taxes to Sales	2.85	6.59
%Net Income to Sales	1.73	3.61
%Net Income to Equity	5.25	11.20
Sales to Inventories	2.84	2.86
Working Capital	$84,095,000	$75,039,000
Current Ratio	4.72	3.90
Shareholders' Equity	$72,254,000	$67,740,000

Winn-Dixie Stores, Inc.

5050 Edgewood Court
Post Office Box B
Jacksonville, Florida 32203
(904) 783-5000

Officers: Robert D. Davis, chairman of the board; A. Dano Davis, president; F.L. James, exec. v.p.; S.W. Evans, R.J. Holmes, James Kufeldt, C.H. McKellar sr. v.p.'s; T. Wayne Davis, T.N. Alexander, O.D. Carpenter, J.H. Childers, C. Lester Cotton, F.W. Hammond, W.M. Harris, J.D. James, D.L. Kimsey, L.G. Libby, R.W. Massey, H.F. Minshew, T.H. Moss, L.B. Perry, C.R. Raulerson, L.J. Sadlowski, F.T. Walters, G.P. Woodard, Jack P. Jones, R.P. McCook, J.J. Pecnik, W.F. Brim, C.E. Winge, R.J. Ebster, H.E. Hess, H.E. Miller, vice presidents; W.F. Fant, treasurer; J. Shephard Bryan, v.p., gen. counsel & secretary; D.H. Bragin, controller.

Directors: R.D. Davis*, chairman; James E. Davis*, A.D. Davis*, A. Dano Davis*, T. Wayne Davis, Jr., J. Shepard Bryan, Jr.*, J.C. Pace, Jr., C.W. Waldorf*, Sam M. Walton, Radford D. Lovett, Charles P. Stephens, F.L. James*

* Member of the Executive Committee

Business Activities: Operates Winn-Dixie food stores in Florida, Georgia, North Carolina, South Carolina, Alabama, Mississippi, Louisiana, Virginia, Kentucky, Tennessee, Indiana, Oklahoma and Texas.

Divisions:

Jacksonville Division
5050 Edgewood Court
Box B
Jacksonville, Florida 32203

Greenville Division
Wade Hampton Boulevard
P.O. Box 1088
Greenville, South Carolina 29602

Montgomery Division
1550 Jackson Ferry Road
P.O. Box 2029
Montgomery, Alabama 36103

Tampa Division
2400 E. Hillsboro Avenue
P.O. Box 440
Tampa, Florida 33601

Atlanta Division
5400 Fulton Industrial Boulevard
P.O. Box 4809
Atlanta, Georgia 20331

Raleigh Division
2201 S. Wilmington Street
P.O. Box 511
Raleigh, North Carolina 27602

Louisville Division
720 Locust Lane
P.O. Box 17121, Shelby Station
Louisville, Kentucky 40217

New Orleans Division
600 Edwards Avenue
P.O. Box 51509
New Orleans, Louisiana 70150

Charlotte Division
1105 Nevada Boulevard
Post Office Box 10156
Charlotte, North Carolina 28237

Orlando Division
4401 Seaboard Road
Orlando, Florida 32808

Miami Division
1141 S. W. 12th Avenue
Pompano Beach, Florida 33064

Fort Worth Division
5500 S. Freeway
Fort Worth, Texas 76115

Transfer Agent(s):

Bradford Trust Company
New York, New York

Registrar and Transfer Co.
Jersey City, New Jersey

Stock Exchange(s): New York

Ticker Symbol: WIN

Number of Stores: (at fiscal year end)

1984	1,231	1981	1,220
1983	1,210	1980	1,192
1982	1,222		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 7,302,369	$ 115,916
1983	7,018,605	113,460
1982*	6,764,472	103,513
1981	6,200,167	95,395
1980	5,388,979	91,950

	No. of Com. Shares †	Earn. per Share ‡
1984	41,000,000	$ 2.83
1983	41,900,000	2.72
1982*	41,200,000	2.51
1981	41,300,000	2.20
1980	43,800,000	2.05

* 53 weeks

† Adjusted to reflect stock split

‡ Based on common shares and common shares class B combined adjusted to reflect stock split

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$1.56	—	5-for-3
1983	1.44	—	—
1982	1.30	—	—
1981	1.15	—	—
1980	1.01	—	—

† Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 608,673,000	$ 14.85
1983	582,823,000	13.91
1982	514,618,000	12.49
1981	467,195,000	11.31
1980	473,872,000	10.82

‡ Adjusted to reflect stock split

Winn-Dixie Stores, Inc.

Income Account *
(000's)

Year ended		6/27/84		6/29/83
Net sales	$	7,302,369	$	7,018,605
Cost of sales		5,714,533		5,477,971
Expenses		1,469,716		1,417,292
Other income		(80,546)		75,561
Interest expense		10,474		9,411
Income before taxes	$	188,192	$	189,492
Income taxes		72,276		76,032
Net Income	$	115,916	$	113,460

* Included in Costs and Expenses, Depreciation and Amortization $131,220,000 in 1984 and $114,874,000 in 1983.

Assets
(000's)

As of		6/27/84		6/29/83
Cash & marketable securities	$	108,263	$	165,750
Recevs., net		52,712		43,464
*Inventories		449,844		435,555
Prepaid expenses		23,401		25,158
Current Assets	$	634,220	$	669,927
Investments & other assets		18,014		15,846
#Fixed assets		443,342		405,715
Leased prop. under cap. leases		63,187		67,178
Total Assets	$	1,158,763	$	1,158,666

Liabilities
(000's)

Accts. payable	$	246,728	$	239,732
Accruals		145,262		151,923
Cap. lease oblig., curr.		2,782		2,633
Income taxes		7,711		33,602
Current Liabilities	$	402,483	$	427,890
Deferred inc. taxes		7,344		8,716
Cap. lease oblig.		74,509		77,857
Other long term debt		25,615		27,015
Reserve for self-ins.		40,139		34,365
+ Common stock		45,799		27,489
Add. paid-in capital				2,549
Retained earnings		649,853		615,095
Treasury stock		(86,979)		(62,310)
Total Liabilities & Shareholders' Equity	$	1,158,763	$	1,158,666

* At lower of cost or market. Merchandise at LIFO, mfg. and produce at FIFO.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.58	2.69
%Net Income to Sales	1.59	1.61
%Net Income to Equity	19.04	19.46
Sales to Inventories	16.23	16.11
Working Capital	$231,737,000	$242,037,000
Current Ratio	1.58	1.56
Shareholders' Equity	$608,673,000	$582,823,000

Wolohan Lumber Co.

1740 Midland Road
P.O. Box 3235
Saginaw, Michigan 48605
(517) 793-4532

Officers: Richard V. Wolohan, chairman of the board; David F. Wallace, president & chief executive officer; Robert F. Anderson, exec. v.p., secretary & chief financial officer; Thomas R. Wolohan, v.p.-corporate development; David G. Honaman, v.p.-administration; Edward J. Dean, controller; James L. Wolohan, v.p.-merchandising; James R. Krapohl, treasurer & asst. secretary.

Directors: Richard V. Wolohan, chairman; Robert F. Anderson; Calvin A. Campbell; Herbert H. Lyon; Hugo E. Braun, Jr.; David F. Wallace; Ervin E. Wardlow.

Business Activities: Operates a chain of building materials retail centers located in Illinois, Indiana, Michigan, Ohio, Wisconsin and Kentucky.

Acquisition(s):

Hirshfield Lumber Co.
Bay City, Michigan

Dunlap Home Improvement Centers
Columbus and Madison, Indiana

Transfer Agent(s):

National Bank of Detroit
Detroit, Michigan 48232

Stock Exchange(s): Over the Counter

Ticker Symbol: WLHN (NASDAQ)

Number of Stores: (at fiscal year end)

1984	34	1981	34
1983	35	1980	34
1982	32		

Sales and Earnings

		Net Sales		Net Income
1984	$	139,171,000	$	2,632,000
1983		112,358,000		1,348,000
1982		89,178,000		638,000
1981		88,788,000		972,316
1980		99,188,000		795,914

	No. of Com. Shares ‡	Earn. per Share ‡
1984	5,860,000	$ 0.45
1983	5,873,000	0.23
1982	5,844,000	0.11
1981	5,838,000	0.17
1980	5,829,000	0.14

‡ Based on the average number of shares outstanding.

Revenues By Line of Business

	1984	1983	1982	1981
Dimension lumber	11.7%	12.4%	10.1%	11.7%
Sheathing plywood	7.1	7.5	7.0	6.7
Other forest products	14.1	14.1	12.9	11.6
Building materials	21.5	21.5	25.0	23.2
Building hardware	7.9	7.3	7.8	7.5
Home decoration	3.5	3.5	4.0	4.3
Millwork	17.9	17.3	16.1	16.8
Home appliances	3.6	3.8	4.5	5.5
Plumbing, heating & electrical	9.8	9.7	11.0	10.3
Trusses & components	2.9	2.9	1.6	2.4
Total	100.0%	100.0%	100.0%	100.0%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.16	—	—
1983	0.08	—	—
1982	—	—	—
1981	0.16	—	—
1980	0.32	—	—

Common Stock Equity

		Total Equity	Equity Per Share
1984	$	28,740,000	$ 4.91
1983		27,200,000	4.62
1982		26,166,000	4.47
1981		25,519,071	4.37
1980		25,452,032	4.36

Income Account *

Year ended Dec. 31		1984		1983
Net sales	$	139,171,000	$	112,358,000
Cost of sales		104,474,000		85,338,000
Other income		(745,000)		(720,000)
Expenses		26,953,000		23,054,000
Depreciation		2,149,000		1,836,000
Interest income		(474,000)		(380,000)
Interest expense		1,725,000		915,000
Income before taxes	$	5,089,000	$	2,315,000
Income taxes		2,457,000		967,000
Net Income	$	2,632,000	$	1,348,000

* Included in Costs and Expenses, Depreciation $2,149,000 in 1984 and $1,836,000 in 1983.

Assets

As of Dec. 31		1984		1983
Cash	$	725,000	$	701,000
Short-term paper		3,028,000		5,905,000
Trade recevs.		6,590,000		4,450,000
*Inventories		22,067,000		16,538,000
Other		259,000		568,000
Current Assets	$	32,669,000	$	28,162,000
#Fixed assets		24,055,000		23,618,000
Other assets		1,759,000		2,046,000
Total Assets	$	58,483,000	$	53,826,000

Liabilities

Long-term debt, curr.	$	962,000	$	669,000
Accts. payable		6,859,000		5,752,000
Employee compensation & accruals		3,357,000		3,096,000
Contrib. to profit sharing trust		420,000		407,000
Note payable				649,000
Income taxes		1,065,000		224,000
Curr. Liabilities	$	12,663,000	$	10,797,000
Long-term debt		14,933,000		13,923,000
Deferred inc. taxes		2,147,000		1,906,000
+ Common stock		5,883,000		5,883,000
Add. paid-in capital		744,000		744,000
Retained earnings		22,267,000		20,573,000
Treasury stock		(154,000)		
Total Liabilities & Shareholders' Equity	$	58,483,000	$	53,826,000

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.66	2.06
%Net Income to Sales	1.89	1.20
%Net Income to Equity	9.16	4.96
Sales to Inventories	6.31	6.79
Working Capital	$20,006,000	$17,365,000
Current Ratio	2.58	2.61
Shareholders' Equity	$28,740,000	$27,200,000

Woodward Stores Limited

101 West Hastings Street
Vancouver, British Columbia

Officers: Charles Namby Wynn Woodward, chairman of the board & chief executive officer; Grant Woodward MacLaren, president & chief operating officer; Frank Allan Robertson, exec. v.p.; William George Brown, sr. v.p.-distribution; Marco Gandossi, exec. v.p.-finance & secretary; Philip Charles McComb, sr. v.p.-Alberta Region; William J.D. Woodward, v.p.-retail; George Richard Bailey, v.p.-marketing; William Gooderham Forbes, v.p.-retail operations; James R. Jones, v.p.-real estate & development; Merwin McBride, v.p.-food operations; J.A. Hopkins, v.p.-planning & building; G. Mueske, v.p.-information services; J.A. Loudon, controller; L.N. Semowski, asst. controller; G.J.O. McKinstry, treasurer; John A. Barnwell, asst. secretary

Directors: Charles Namby Wynn Woodward*, chairman; Rose Bancroft, William George Brown, Charles Reginald Claridge, Thomas Raymond Farrell, Marco Gandossi*, William Douglas Haig Gardiner, James Norman Hyland, Grant Woodward MacLaren*, Philip Charles McComb, Frank Allan Robertson*, John Martin Tennant*, Robert Arthur White*, Margaret Elizabeth Southern

* Member of the Executive Committee

Business Activities: Owns and operates retail outlets through 26 locations in British Columbia and Alberta. There are 23 Woodwards' department stores, one free-standing food floor, one free-standing book store.

Transfer Agent(s):

Woodward Stores Limited
Vancouver, British Columbia

Montreal Trust Company
Toronto, Ontario; Montreal, Quebec; Edmonton, Alberta

Stock Exchange(s): Montreal, Toronto, Vancouver, Alberta

Ticker Symbol: WDSA

Number of Stores: (at fiscal year end)

1985	24	1982	26
1984	26	1981	23
1983	26		

Sales and Earnings

	Net Sales † (000's)	Net Income × (000's)
1985	$1,078,603,475	$ 2,778,025
1984	1,103,876,333	4,835,888
1983	1,087,926,017	8,435,968
1982	1,137,051,022	14,786,775
1981*	1,042,633,351	22,802,703

	No. of Com. Shares	Earn. per Share ‡
1985	15,354,821	$ 0.18
1984	15,077,631	0.33
1983	15,274,164	0.58
1982	16,181,028	1.03
1981*	10,590,093	1.61

*53 weeks
† Including service charges
× Excluding extraordinary items in 1985, 1983, 1982 and 1981
‡ Based on the weighted average number of shares outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.50		
1984	0.60		
1983	0.59		
1982	0.59		
1981	0.52		

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 215,914,902	$ 14.06
1984	191,012,336	12.67
1983	189,132,517	12.38
1982	185,907,934	11.49
1981	167,110,938	15.78

Income Account

Year ended	1/26/85	1/28/84
Net sales	$1,078,603,475	$1,103,876,333
Other income	12,558,501	16,139,562
Total	$1,091,161,976	$1,120,015,895
Cost of goods sold	813,283,704	828,725,624
General expenses	238,466,051	243,951,674
Profit shares & retirement fund	5,579,434	5,743,901
Depreciation	15,301,801	14,802,573
Interest expense	20,548,013	22,524,280
Other interest	1,617,882	1,849,658
Oper. profit (loss)	$ (3,634,909)	$ 2,418,185
Other income	1,402,934	1,182,703
Income (loss) before taxes	$ (2,231,975)	$ 3,600,888
Tax credit	(5,010,000)	(1,235,000)
Net Income	$ 2,778,025	$ 4,835,888
Extraordinary gain	23,655,206	
Net Income & extraord. gain	$ 26,433,331	$ 4,835,888

Assets

As of	1/26/85	1/28/84
Cash	$ 3,615,861	$ 3,829,343
Marketable securities	1,443,518	1,443,519
Accts. receiv., net	95,854,963	94,647,666
*Inventories	167,516,093	173,284,751
Income taxes recoverable	—	1,922,494
Prepaid expenses	2,470,114	2,933,204
Current Assets	$ 270,900,549	$ 278,060,977
Mortgage receivable	5,102,245	5,336,995
Investments	3,387,244	1,935,052
#Fixed assets	287,018,160	261,524,905
Assets under cap. leases	7,878,307	8,449,470
Other assets	3,678,630	1,273,323
Total Assets	$ 577,965,135	$ 558,580,722

Liabilities

Notes payable	$ 3,858,000	$ 3,555,000
Long-term debt, curr. & cap. lease oblig., curr.	5,001,544	2,460,062
Accts payable & accruals	70,638,395	78,591,592
Income taxes	1,369,936	—
Bank indebtedness	29,357,099	41,103,029
Curr. Liabilities	$ 110,224,974	$ 125,709,683
Long-term debt	227,840,165	218,687,589
Cap. lease oblig.	8,213,024	8,742,737
Deferred gain on sale	8,501,138	8,984,086
Minority interest	—	56,791
Deferred inc. taxes	7,270,932	5,467,500
+ Common stock		
Class A B & C	45,815,486	39,863,910
Class D		200,698
Contributed Surplus	4,595,953	4,595,953
Retained earnings	164,035,664	144,883,976
Unrealized gains	1,467,799	1,467,799
Total Liabilities & Shareholders Equity	$ 577,965,135	$ 558,580,722

* At lower of cost and net realizable value
# Less accumulated depreciation
+ No par value

Statistical Summary

%Income bef. Taxes to Sales	—	0.33
%Net Income to Sales	0.26	0.44
%Net Income to Equity	1.29	2.53
Sales to Inventories	6.44	6.37
Working Capital	$160,675,575	$152,351,294
Current Ratio	2.46	2.21
Shareholders' Equity	$215,914,902	$191,012,336

F.W. Woolworth Co.

Woolworth Building
233 Broadway
New York, New York 10279
(212) 553-2000

Officers: John W. Lynn, chairman of the board & chief exec. officer; Harold E. Sells, president & chief operating officer; Arnold S. Anderson, exec. v.p.-administration & general counsel; John H. Cannon, v.p. & treasurer; William K. Lavin, sr. v.p.-finance; Frederick E. Henig, sr. v.p.-worldwide general merchandise operations; vice presidents: Joseph F. Carroll-public affairs; Ted M. Annenberg-deputy general counsel; Roy L. Garofalo-investor relations; Aubrey C. Lewis-corporate liaison; C. Jackson Gray-corporate development; Thomas E. Page-controller; Henry C. Miner III-taxation; Charles T. Young-management information services; Robert C. Heller-secretary & asst. treasurer; assistant vice presidents: Jacqueline D. Delafuente-law dept.; James J. O'Neil-taxation; Glen R. Goff-general auditor; Michael T. Steven, Laura T. Kirsner, asst. controllers; Stanley A. Harmon, Christopher J. Hoey, S. William Manteria, James J. Pirretti, William B. Thomson, Frances E. Trachter, asst. secretaries; Frank J. Marrella, asst. treasurer

Directors: John W. Lynn*, chairman; Lester A. Burcham*, Fred Kirby*, Seymour H. Knox III*, John L. Gushman*, Andrew F. Peck*, Margaret P. MacKimm*, John W. Adams*, Jarobin Gilbert, Jr., Harold Sells, Eugene J. Sullivan*, James E. Preston*

* Member of the Executive Committee

Business Activities: Operates a chain of variety stores under the Woolworth name throughout the United States and in Mexico, Canada, Australia, Ireland, the Caribbean Islands, West Germany, Puerto Rico, and England. Also operates 121 Woolco Department Stores in Canada, a men's wear chain of 315 stores, under the name of The Richman Brothers Company or Anderson-Little, the 3,036 Kinney Shoe Stores and leased departments in the United States, Canada and Australia under the names Kinney, Frugal Frank's, Foot Locker, Lady Foot Locker, Little Folk Shops, Fredelle, and Susie's Casuals. Also operates 38 J. Brannam stores, engaged in the sale of brand name clothing, shoes and household linens.

Subsidiaries:

F.W. Woolworth Co. Limited, Canada
F.W. Woolworth Co. G.m.b.H., Germany
Kinney Shoe Corporation
  New York, New York
The Richman Brothers Company
  Cleveland, Ohio
J. Brannam Division
Holtzman's Litle Folk Shop, Inc.
U.S. Woolworth Division
Woolworth Mexicana, S.A. de C.V.

Transfer Agent(s):

Morgan Guaranty Trust Company
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York, Midwest, Pacific, Boston, Cincinnati, Philadelphia

Ticker Symbol: Z

Number of Stores: (at fiscal year end)*

1983	5,276	1980	6,537
1982	5,124	1979	6,040
1981	6,927		

* Including leased departments

Sales and Earnings

	Net Sales ‡	Net Income ‡
1983	$5,456,000,000	$ 118,000,000
1982	5,124,000,000	(353,000,000)
1981	5,075,000,000	82,000,000
1980	5,102,000,000	156,000,000
1979	4,824,000,000	173,000,000

	No. of Com. Shares †	Earn. per Share †
1983	31,300,000	$ 3.72
1982	30,400,000	—
1981	30,200,000	2.64
1980	29,900,000	5.14
1979	29,400,000	5.79

(Loss)
‡ Includes sales of leased departments, of continuing operations only.
† Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$1.80	—	—
1982	1.80	—	—
1981	1.80	—	—
1980	1.80	—	—
1979	1.60	—	—

Common Stock Equity

	Total Equity‡ (000's)	Equity Per Share
1983	$1,005,000,000	$ 32.11
1982	967,000,000	31.55
1981	1,330,000,000	43.84
1980	1,395,000,000	46.49
1979	1,325,000,000	44.67

‡ After allowing for preferred stock at involuntary liquidation value.

Income Account
(000's)

Year ended Jan. 31	1984	1983
Net sales	$ 5,456,000	$ 5,124,000
Other income	26,000	33,000
Total income	$ 5,482,000	$ 5,157,000
Cost of sales	3,679,000	3,467,000
Expenses	1,411,000	1,360,000
Depreciation & amortization	100,000	97,000
Interest expense	85,000	98,000
Income before taxes	$ 207,000	$ 135,000
Income taxes	89,000	53,000
Inc. cont. oper.	$ 118,000	$ 82,000
Loss-discont. oper.	—	(435,000)
Net Income (Loss)	$ 118,000	$ (353,000)

Assets

As of Jan. 31	1984	1983
Cash	$ 167,000	$ 260,000
*Inventories	1,042,000	1,026,000
Other assets	100,000	97,000
Current Assets	$ 1,309,000	$ 1,383,000
#Fixed assets	778,000	798,000
Leased prop. under cap. leases	112,000	129,000
Def. tax benefits	89,000	133,000
Other assets	76,000	46,000
Total Assets	$ 2,364,000	$ 2,489,000

Liabilities

Long-term debt & cap. lease oblig., curr.	$ 72,000	$ 32,000
Accts. payable	315,000	303,000
Accruals	233,000	204,000
Res. for discont. oper.	52,000	162,000
Dividends payable	14,000	14,000
Income taxes	29,000	21,000
Curr. Liabilities	$ 715,000	$ 736,000
Long-term debt	300,000	364,000
Other liabilities	58,000	53,000
Oblig. under cap. leases	135,000	152,000
Defer. income taxes	33,000	33,000
+ Preferred stock	2,000	3,000
+ + Common stock	113,000	103,000
Retained earnings	986,000	927,000
Res. for disc. oper.	93,000	152,000
Treasury stock	(1,000)	(4,000)
For. curr. trans. adj.	(70,000)	(30,000)
Total Liabilities & Shareholders' Equity	$ 2,364,000	$ 2,489,000

* At lower of cost or market, LIFO for domestic inventories, FIFO for foreign.
# Less accumulated depreciation.
+ $1 par value. $2.20 Series A, convertible.
+ + $3⅓ par value.

Statistical Summary

%Net Income to Equity	11.46	—
Sales to Inventories	5.24	4.99
Working Capital	$ 594,000,000	$647,000,000
Current Ratio	1.83	1.88
Shareholders' Equity	$1,030,000,000	$999,000,000

Zale Corporation

Executive Offices

901 West Walnut Hill Lane
Irving, Texas 75038-1003
(214) 257-4000

Officers: Donald Zale, chairman of the board & chief executive officer; Bruce A. Lipshy, president & chief operating officer; Marvin Zale, vice chairman; Richard F. Mitchell, exec. vice chairman of the board & chief administrative officer; Michael B. Hacker, sr. v.p.-European retail operations; E. Dean Liles, sr. v.p.-business systems; William H. Pavony, sr. v.p. & chief financial officer; Dolph B.H. Simon, sr. v.p.-gen. counsel & secretary; Gene Morphis, sr. v.p.; Paul M. Cholak, sr. v.p.; Jean S. Barrow, Don L. Bolen, Jerry Daws, Jerry B. Gray, William R. Gutow, Edward Jaben, Harry Johnson, John I. Mitchell, Dennis P. Mullin, Barry Pasarew, Michael Romaine, Leonard H. Schwartz, Mary A. Garza, Gary I. Karstel, Lynn Reynolds, Craig B. Sorrels, v.p.'s; Jerold Grubstein, sr. v.p. & controller; Walter H. Harvey, v.p. & treasurer; Kenneth M. Masson, Joe D. Underwood, asst. treasurers; Merrill J. Wertheimer, v.p. & controller; B.F. Godfrey, Jr., asst. secretary.

Directors: Leo Fields*, Dean P. Guerin, Marvin Zale*, G. Myrph Foote*, Richard F. Mitchell, John P. Weinel, Donald Zale*, Bruce A. Lipshy*, Robert H. Bloom, Harvey R. Mitchell, Bertrand Gerstein, Irving E. Gerstein, William V. Robins, James Gillies, Joseph R. Musolino.

* Member of the Executive Committee.

Business Activities: Operates a nationwide chain of specialty retail jewelry stores nation-wide in such areas as jewelry stores and leased jewelry departments. The Zale Division serves middle america with 749 stores, while the fine jewelers guild division is comprised of 321 carriage trade jewelry stores operating under 38 trade names. The company also purchases, manufactures and wholesales jewelry, supplies military post exchanges with insignia and jewelry articles, operates insurance companies.

Divisions:

Zale Jewellers
3000 Diamond Park Drive
Dallas, Texas 75247
(214) 634-4011

Fine Jewelers Guild
450 West 33rd Street
New York, New York 10001
(212) 560-1100

Diversified Group:

Diamond Park Fine Jewelers
3000 Diamond Park Drive
Dallas, Texas 75247
(214) 634-4011

Mission Jewelers

Catalog Showrooms
3000 Diamond Park Drive
Dallas, Texas 75247
(214) 634-4011
Operates 14 showrooms under the name O.G. Wilson.

Aeroplex Stands, Inc.
Operates 91 airport concession stands.

Willoughby & Taylor Ltd.
Markets jewelry through mail order catalogs.

International Retail Operations:

Jewellers, Europe Christ
Hanau, West Germany
Operates 86 retail jewelry outlets in West Germany, France and Switzerland.

Zale Jewellers Ltd.
England
Operates 110 stores.

Transfer Agent(s):

Republic Bank Dallas
Dallas, Texas

Stock Exchange(s): New York, Pacific

Ticker Symbol: ZAL

Number of Stores: (at fiscal year end)

1985	1,577	1982	1,447
1984	1,552	1981	1,402
1983	1,310		

Sales and Earnings

	Net Sales +	Net Income
1985	$1,054,338,000	$ 38,802,000
1984	1,003,219,000	35,387,000
1983	939,756,000	(6,118,000)
1982	962,039,000	33,252,000
1981	828,709,000	72,732,000

	No. of Com. Shares #	Earn. per Share #
1985	12,125,000	$ 3.20
1984	11,763,000	3.01
1983	11,302,000	—
1982	11,201,000	2.97
1981	11,775,000	6.18

+ Of continuing operations only.
# Based on the average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$1.305	—	—
1984	1.26	—	—
1983	1.26	—	—
1982	1.235	—	—
1981	1.14	—	

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1985	$ 465,459,000	$ 38.39
1984	438,292,000	37.26
1983	404,334,000	35.78
1982	419,183,000	37.42
1981	424,894,000	36.08

‡ After allowing for preferred stock at total liquidation preference.
# Based on the average number of shares outstanding.

Income Account *
(000's)

Year ended March 31	1985	1984
Net sales	$ 1,054,338	$ 1,003,219
Cost of sales	643,762	631,782
Expenses	310,080	294,732
Interest expense	40,694	21,618
Income before taxes	$ 59,802	$ 55,087
Income taxes	21,000	19,700
Net Income	$ 38,802	$ 35,387

* Included in Costs and Expenses, Depreciation and Amortization: $25,167,000 in 1985 and $20,901,000 in 1984.

Assets
(000's)

As of March 31	1985	1984
Cash	$ 2,675	$ 8,533
Accts. receiv., net	290,178	271,980
*Inventories	399,297	367,515
Other assets	28,170	26,883
Current Assets	$ 720,320	$ 674,911

#Fixed assets		183,307		200,228
Other assets		51,541		54,103
Total Assets	$	955,168	$	929,242

Liabilities
(000's)

Notes payable	$	17,136	$	116,053
Long-term debt, curr		5,860		6,946
Accts. payable		32,134		38,317
Accrued payroll		16,882		16,805
Other taxes		88,685		79,460
Accrued expenses		33,292		36,957
Curr. Liabilities	$	193,989	$	294,538
Long-term debt		263,540		169,082
Deferred income taxes		29,380		23,530
+ Preferred stock		92		125
+ + Common stock		11,284		11,089
+ + Class B common		3,947		3,930
Add. paid-in capital		136,263		131,861
Retained earnings		405,273		381,632
Treasury stock		(76,052)		(79,995)
For. curr. trans. adjust		(12,548)		(6,550)
Total Liabilities & Shareholders' Equity	$	955,168	$	929,242

* At lower of cost or market, substantially all domestic inventories at LIFO, all other at FIFO

# Less accumulated depreciation and amortization

+ $1 par value, Series A

+ + $1 par value

Statistical Summary

%Income bef. Taxes to Sales	5.67	5.49
%Net Income to Sales	3.68	3.53
%Net Income to Equity	8.29	8.00
Sales to Inventories	2.64	2.73
Working Capital	$526,331,000	$380,373,000
Current Ratio	3.71	2.29
Shareholders' Equity	$468,259,000	$442,092,000

Zayre Corp.

Framingham, Massachusetts 01701
(617) 620-5000

Officers: Sumner L. Feldberg, chairman of the board; Maurice Segall, president & chief executive officer; Stanley H. Feldberg, chairman of executive committee; Malcolm L. Sherman, exec. v.p.; John Nagy, sr. v.p.-real estate; Michael Bilotti, sr. v.p.-systems & technical services; Arthur F. Loewy, exec. v.p.-finance; Newton A. Lane, secretary; vice presidents: George Freeman-financial planning & budgeting; Randolph L. Kruger-administrative services; Irving Ritz-labor relations; Robert Shedd, treasurer; Jay H. Meltzer, corporate counsel.

Directors: Max Feldberg*, Stanley H. Feldberg*, Sumner L. Feldberg*, Newton A. Lane, Milton L. Levy*, Walter J. Salmon, Burton S. Stern*, Reva Korda, John W. Hennessey, Jr., Robert F. Shapiro, Daniel Coven, Maurice Segall*, Charles J. Simons, John H. Bustamante

* Member of the Executive Committee

Business Activities: Operates a chain of self-service discount department stores, under the names Zayre in 23 states; ladies' apparel specialty stores under the name Hit or Miss shops and T.J. Maxx family apparel stores. Also operates three BJ's Wholesale Clubs, a chain of self service, cash and carry warehouses.

Transfer Agent(s):

State Street Bank and Trust Company
Boston, Massachusetts

Stock Exchange(s): New York

Ticker Symbol: ZY

Number of Stores: (at fiscal year end)

	Disc. Dept. Stores	Ladies Apparel Stores
1985	290	401
1984	275	356
1983	264	267
1982	258	245
1981	248	240

	Discount Apparel Supermarkets
1985	156
1984	118
1983	86
1982	64
1981	43

Sales and Earnings

	Net Sales ‡ (000's)	Net Income (000's)
1984	$ 3,123,008	$ 80,316
1983	2,613,667	61,426
1982	2,139,616	35,176
1981	1,797,139	22,147
1980*	1,594,235	17,574

	No. of Com. Shares +	Earn. per Share #
1984	19,779,981	$ 3.99
1983	19,748,627	3.19
1982	18,464,981	2.16
1981	14,286,664	1.53
1980*	13,752,183	1.26

* 53 weeks

‡ Of continuing operations only

+ Adjusted to reflect stock dividends and stock split

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock split

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.39	10%	—
1983	0.27	—	2-for-1
1982	0.18	20%	—
1981	0.15	—	—
1980	0.12	—	—

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 468,071,000	$ 23.66
1983	395,457,000	20.02
1982	294,762,000	15.96
1981	195,677,000‡	13.70
1980	169,712,000‡	12.39

‡ After allowing for preferred stock at liquidation preference of $65 per share

+ Adjusted to reflect stock dividends and stock split

Income Account *
(000's)

Year ended		1/26/85		1/28/84
Net sales	$	3,123,008	$	2,613,667
Cost of sales		2,372,467		1,986,559
Expenses		574,599		486,053
Interest expense		17,970		19,709
Cap. lease oblig.		7,270		7,609
Income before taxes	$	150,702	$	113,737
Income taxes		70,386		52,311
Net Income	$	80,316	$	61,426

* Included in Costs and Expenses, Depreciation and Amortization: $34,941,000 in 1984 and $28,[illegible] in 1983

Assets
(000's)

As of		1/26/85		1/28/84
Cash	$	30,272	$	23,552
Marketable securities		40,000		17,000
Accts. receiv., net		9,008		9,474
*Inventories		602,945		500,015
Prepaid expenses		15,525		13,550
Current Assets	$	697,750	$	563,591
#Fixed assets		323,842		261,100
Leased prop. under cap. leases		56,545		56,791
Other assets		25,872		21,643
Intangibles		4,880		4,880
Total Assets	$	1,108,889	$	908,005

Liabilities
(000's)

Long-term debt, curr	$	4,996	$	7,775
Accts. payable		193,802		150,026
Accruals		136,229		112,612
Income taxes		40,065		22,805
Oblig. under cap. leases		5,914		5,607
Curr. Liabilities	$	381,006	$	298,825
Long-term debt		147,335		122,279
Oblig. under cap. leases, non-curr		70,489		71,155
Deferred inc. taxes		41,988		20,289
+ Common stock		19,780		17,953
Add. paid-in capital		204,631		147,071
Retained earnings		243,660		230,433
Total Liabilities & Shareholders' Equity	$	1,108,889	$	908,005

* At lower of cost or market, using the retail method

# Less accumulated depreciation and amortization

+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	4.83	4.35
%Net Income to Sales	2.57	2.35
%Net Income to Equity	17.16	15.53
Sales to Inventories	5.18	5.23
Working Capital	$316,744,000	$264,766,000
Current Ratio	1.83	1.89
Shareholders' Equity	$468,071,000	$395,457,000

Zenith Electronics Corporation

1000 Milwaukee Avenue
Glenview, Illinois 60025
(312) 391-7000

Officers: Jerry K. Pearlman, chairman & president; Karl H. Horn, Robert B. Hanson, exec. v.p.'s & group execs.; Carl A. Michelotti, Joseph P. Fiore, sr. v.p.'s & group v.p.'s; Otto M. Genutis, v.p. & gen. mgr.-picture tube operations; James L. Faust, president-cable products; Howard H. Graham, v.p.-finance services; Gerald M. McCarthy, sr. v.p.-marketing, sales & consumer products; David W. Denton, v.p.-human resources & public affairs; Leonard Dietch, v.p.-research and development systems, and components operations; Melvin L. Moore, v.p.-manufacturing, consumer products; James A. Stark, v.p.-purchasing; William A. Krein, v.p. & controller; David S. Levin, treasurer; Dennis J. Waldeck, secretary; John Borst, Jr., general counsel; Bruce A. Huber, exec. dir.-marketing, consumer products; Peter C. Skerlos, exec. dir.-engineering, consumer products.

Directors: Thomas G. Ayers*, Harry G. Beckner, Sidney Davidson*, Karl H. Horn, John H. Johnson, Eugene M. Kinney, Frederick G. Jaicks*, Arthur W. Schultz*, Jerry K. Pearlman*, John W. Madigan, Robert B. Hansen, G. Ralth Guthrie, Joseph S. Wright

* Member of the Executive Committee

Zenith Electronics Corporation

Business Activities: Zenith is engaged predominantly in the design, development, manufacture and sale of consumer electronics and related products. These products include: color and black-and-white television, video cassette recorders, parts and accessories, cable television products, microcomputers- related peripheral equipment and software, power supplies, display subsystems and color television picture tubes. Other products include high-technology components which are sold to original equipment manufacturers. The Heath Company, a wholly-owned subsidiary, produces and markets consumer electronics products in kit and assembled form through mail order distribution and 70 retail store operations in the United States and Canada.

Divisions and Subsidiaries:

Zenith Electronics Corporation
1900 North Austin Avenue
Chicago, Illinois 60639
(312) 745-2000

Zenith Microcircuits Corporation
1851 Arthur Street
Elk Grove, Illinois 60007
(312) 956-1550

Rauland Division
2407 W. North Ave
Melrose Park, Illinois 60160
(312) 379-4600

Zenith Electronics Corporation
1500 No. Kostner Avenue
Chicago, Illinois 60651
(312) 745-2000

Zenith Electronics Corporation
11000 Seymour
Franklin Park, Illinois 60131
(312) 671-7550

Springfield Division
2500 E. Kearney Street
Springfield, Missouri 65801
(417) 865-8341

Zenith Electronics Corp. of Indiana
1515 No. Fulton Avenue
Evansville, Indiana 47710
(812) 432-7761

Zenith Electronics Corp. of Texas
6601 South 33rd Street
McAllen, Texas 78503
(512) 687-9161

Electro Partes de Matamoros, S.A. de C.V.
P.O. Box 848
Brownsville, Texas 78520

Partes de Television de Reynosa S.A. de C.V.
P.O. Box 848
Brownsville, Texas 78520

Zenith Taiwan Corporation
No. 16 Chih Chiang First Road
Chung-Li Industrial District
Chung-Li Shin
Toa Yuan Hsien, Taiwan, R.O.C. (322)

Zenith Radio Corp. of Canada, Ltd.
1020 Islington Avenue
Toronto, Ontario M8Z 5X5, Canada
(416) 231-4171

Zenith Distributing Corp. of Northern California
800 Mariposa Street
San Francisco, California 94107
(415) 621-8545

Zenith Distributing Corporation of Southern California
11945 East Pike Street
Santa Fe Springs, California 90670
(213) 699-7461

Zenith Distribution Corp. of New York
200 Meadowland Parkway
Secaucus, New Jersey 07094
(201) 330-9000

Zenith Distributing Corp. - Midstates
12600 West 93rd Street
Lenexa, Kansas 66215
(913) 888-4800

Zenith Distributing Corp. of Illinois
505 No. Northwest Avenue
Northlake, Illinois 60164
(312) 562-7300

Zenith International Sales Corp.
1900 North Austin Avenue
Chicago, Illinois 60639
(312) 745-2000

Zenith Data Systems
950 Milwaukee Avenue
Glenview, Illinois 60025
(312) 391-8860

Zenith Electronics (Ireland) Ltd.
Virginia Road, Kells
County Meath, Ireland

Zenith Electronics Corp. of Arizona
Telson De Mexico, S.A. De C.V.
217 3rd Street
Douglas, Arizona 85608

Zenith Video Tech Corporation
11000 Seymour Avenue
Franklin Park, Illinois 60131

Zenith Video Products Corporation
1000 Milwaukee Avenue
Glenview, Illinois 60025

Cableproductos De Chihuahua, S.A. De C.V.
P.O. Box 348
Brownsville, Texas 78520

Productos Magneticos de Chihuahua, S.a. de C.V.
P.O. Box 848
Brownsville, Texas 78520

Veritechnology Electronics Corporation
Hilltop Road
St. Joseph, Michigan 49805

Heath Company
Hilltop Road
St. Joseph, Michigan 49805
(616) 982-3200

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): New York, Midwest, Zurich, Basel, Geneva

Ticker Symbol: ZE

Number of Stores: (at fiscal year end)

1984	70	1982	71
1983	72	1981	76

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1984	$ 1,716,000	$ 63,600
1983	1,361,000	46,300
1982	1,239,200	(24,300)
1981	1,275,200	15,700
1980	1,185,900	26,600

	No. of Com. Shares	Earn. per Share †
1984	22,144,058	$ 2.88
1983	21,961,067	2.26
1982	18,930,122	
1981	18,910,793	0.83
1980	18,862,034	1.41

(Loss)
+ Of continuing operations only.
† Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Consumer electronics	$ 1,062,000	$ 923,000
Computer systems & components	472,000	286,000
Cable products	182,000	152,000
Total	$ 1,716,000	$ 1,361,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	—	—
1982	0.15	—	—
1981	0.525	—	—
1980	0.60	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 442,800,000	$ 20.00
1983	375,200,000	17.08
1982	267,500,000	14.14
1981	294,500,000	15.57
1980	288,000,000	15.26

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 1,716,000	$ 1,361,300
Cost of sales	1,357,000	1,048,700
Expenses	257,700	219,300
Loss (gain) on sale of prop.	(1,000)	(1,800)
Interest expense	17,100	12,500
Oth[illegible]me	(6,500)	(4,900)
Income before taxes	$ 91,700	$ 87,500
Income taxes	28,100	41,200
Net Income	$ 63,600	$ 46,300

* Included in Costs and Expenses, Depreciation and Amortization: $31,800,000 in 1984 and $29,800,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & marketable securities	$ 12,300	$ 71,500
Receiv., net	264,400	168,400
*Inventories	347,300	254,400
Prepaid expenses	62,400	51,900
Current Assets	$ 686,400	$ 546,200
#Fixed assets	220,200	189,600
Other assets	2,300	3,200
Total Assets	$ 908,900	$ 739,000

Liabilities
(000's)

Short-term debt	$ 5,300	$ —
Long-term debt, curr.	6,900	6,900
Accts. payable	84,100	78,100
Accruals	42,900	38,700
Accrued payroll	46,900	42,800
Income taxes	11,800	7,200
Prod. warranties	36,500	32,600
Co-op adv. & merch. prog.	35,300	21,100
Curr. Liabilities	$ 269,700	$ 227,400
Long-term debt	172,400	104,600
Deferred inc. taxes	24,000	31,800
+ Common stock	22,100	22,000
Add. paid-in capital	64,800	60,900
Retained earnings	355,900	292,300
Total Liabilities & Shareholders' Equity	$ 908,900	$ 739,000

* At lower of cost (majority at FIFO; remainder at LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.34	6.43
%Net Income to Sales	3.71	3.40
%Net Income to Equity	14.36	12.34
Sales to Inventories	4.94	5.35
Working Capital	$416,700,000	$318,800,000
Current Ratio	2.55	2.40
Shareholders' Equity	$442,800,000	$375,200,000

Zion's Co-operative Mercantile Institution

2200 South 900 West
Salt Lake City, Utah 84137
(801) 321-6179

Officers: Marvin J. Ashton, chairman of the board; Joseph A. Anderson, vice chairman; Lowell M. Durham, Jr., president; John R. Ruppel, v.p. & general merchandise manager; Douglas B. Rogers, v.p. & gen. merchandising mgr.; Darrell F. Robinette, v.p.-stores; Keith C. Saunders, v.p.-finance, secretary & treasurer; Milo L. Carlston, v.p.-oper.; Ronald L. Culverwell, asst. secretary

Directors: L. Tom Perry*, Joseph A. Anderson*, Spencer F. Eccles, Patricia Madsen*, Marvin J. Ashton*, Lowell M. Durham, Jr., A. Blaine Huntsman, Dan S. Bushnell, Stephen H. Anderson*, Milo L. Carlston, John R. Ruppel, Keith C. Saunders*

* Member of the Executive Committee

Business Activities: Operates department stores in Utah

Transfer Agent(s):

Zion's Co-Operative Mercantile Institution
Salt Lake City, Utah 84137

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1985	9	1982	8
1984	9	1981	7
1983	8		

Sales and Earnings

	Net Sales ‡	Net Income
1985	$ 159,511,660	$ 7,604,944
1984	151,015,182	3,631,191
1983	141,263,086	3,294,168
1982	134,202,516	3,146,506
1981	126,986,795	2,929,774

	No. of Com. Shares #	Earn. per Share †
1985	2,161,509	$ 3.52
1984	2,161,509	1.68
1983	2,159,400	1.53
1982	2,159,400	1.46
1981	2,158,458	1.36

‡ Includes other income
# Adjusted to reflect stock split
† Based on the weighted average number of shares outstanding adjusted to reflect stock split

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.60	—	—
1984	0.58	—	3-for-1
1983	0.50	—	—
1982	0.47	—	—
1981	0.47	—	—

+ Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share +
1985	$ 51,204,740	$ 23.69
1984	44,896,703	20.77
1983	42,494,421	19.68
1982	40,272,755	18.65
1981	38,125,753	17.66

+ Adjusted to reflect stock split

Income Account *

Year ended Jan. 31	1985	1984
Net sales & other income	$ 159,511,660	$ 151,015,182
Cost of sales	100,763,696	95,258,060
Expenses	51,382,792	45,666,539
Interest expense	3,893,901	3,078,592
Gain on sale of real estate	(7,924,373)	—
Income before taxes	$ 11,395,644	$ 7,011,991
Income taxes	3,790,700	3,380,800
Net Income	$ 7,604,944	$ 3,631,191

* Included in Costs and Expenses, Depreciation and Amortization: $3,573,655 in 1985 and $3,403,935 in 1984

Assets

As of Jan. 31	1985	1984
Cash	$ 1,762,585	$ 1,668,326
Receiv., net	43,935,836	39,780,458
Long-term note receiv.	5,017,468	—
*Inventories	25,303,477	21,688,631
Prepaid expenses	452,600	404,668
Current Assets	$ 76,471,966	$ 63,542,083
Long-term note receiv.	2,787,526	—
Investment	—	4,069,989
#Fixed assets	34,437,645	34,090,667
Other assets	247,939	124,120
Total Assets	$ 113,945,076	$ 101,826,859

Liabilities

Notes payable	$ 4,000,000	$ 3,000,000
Long-term debt, curr.	150,288	139,070
Cap. lease oblig., curr.	1,107,379	863,243
Accts. payable	4,825,388	4,749,228
Accruals	6,147,044	5,371,937
Accrued payroll	2,011,562	1,695,023
Income taxes	1,250,819	1,696,750
Deferred inc. taxes	7,896,855	5,276,752
Curr. Liabilities	$ 27,389,335	$ 22,792,003
Long-term debt	14,910,809	14,661,097
Cap. lease oblig.	19,360,271	18,320,832
Deferred inc. taxes	879,921	1,156,224
+ Common stock	14,816,244	14,816,244
Retained earnings	36,388,496	30,080,459
Total Liabilities & Shareholders' Equity	$ 113,945,076	$ 101,826,859

* At lower of cost (LIFO) or market
# Less accumulated depreciation and amortization
+ $20 par value

Statistical Summary

%Income bef. Taxes to-Sales	7.14	4.64
%Net Income to Sales	4.77	2.40
%Net Income to Equity	14.85	8.09
Working Capital	$49,082,631	$40,750,080
Current Ratio	2.79	2.79
Shareholders' Equity	$51,204,740	$44,896,703

Z & Z Fashions Ltd.

1804 Lincoln Boulevard
Santa Monica, California 90404
(213) 870-2745

Officers: Marvin Zeidler, president & chairman of the board; George Powell, v.p.-sales and training; Ron Rossi, v.p.-merchandising; Marc Zeidler, treasurer & secretary

Directors: Marvin Zeidler, Dan Paul, Gordon Berman, Rick M. Stein, Marc Zeidler

Business Activities: Operates men's clothing stores, all under the name of *Zeidler & Zeidler Ltd.* in California & Nevada

Subsidiaries:

Zeidler & Zeidler Management, Inc.
1804 Lincoln Boulevard
Santa Monica, California 90404

Transfer Agent(s):

A. H. Walker & Co.
830 Kennecott Bldg.
Salt Lake City, Utah

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ZFSH (NASDAQ)

Number of Stores: (at fiscal year end)

1984	21	1981	18
1983	20	1980	18
1982	19		

Sales and Earnings

	Net Sales	Net Income
1984	$ 9,563,192	$ 82,325
1983	8,734,349	147,051
1982	8,774,259	163,401
1981	8,818,362	161,502
1980	7,491,703	250,605

	No. of Com. Shares ‡	Earn. per Share ‡
1984	809,019	$ 0.10
1983	856,232	0.17
1982	931,666	0.18
1981	919,999	0.18
1980	919,999	0.27

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	50%	—
1980	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share‡
1984	$ 2,191,847	$ 2.71
1983	2,080,355	2.42
1982	2,138,106	2.32
1981	1,994,705	2.17
1980	1,833,203	1.99

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 9,563,192	$ 8,734,349
Cost of sales	4,555,062	4,249,299
Expenses	4,969,665	4,334,856
Oper. profit	$ 38,465	$ 150,194
Other income	64,860	78,857
Income before taxes	$ 103,325	$ 229,051
Income taxes	21,000	82,000
Net Income	$ 82,325	$ 147,051

* Included in Costs and Expenses, Depreciation and Amortization: $169,629 in 1984 and $143,579 in 1983

Z & Z Fashions Ltd.

Assets

As of Sept. 30		1984		1983
Cash	$	189,882	$	649,387
Accts. receiv., net		40,123		48,273
*Inventories		2,392,556		1,889,896
Recoverable income taxes		71,234		40,190
Prepaid expenses		115,373		96,437
Current Assets	$	2,809,168	$	2,724,183
#Fixed assets		1,129,266		839,233
Other assets		11,810		12,160
Total Assets	$	3,950,244	$	3,575,576

Liabilities

Accts. payable	$	1,266,186	$	1,033,099
Income taxes payable		33,324		21,799
Compensation		99,798		157,693
Accruals		205,121		128,663
Long term debt, curr.		153,968		76,984
Current Liabilities	$	1,758,397	$	1,418,238
Long term debt				76,983
+Common stock		96,667		94,333
Add. paid-in capital		740,785		713,952
Retained earnings		1,608,363		1,526,038
Treasury stock		(253,968)		(253,968)
Total Liabilities & Shareholders' Equity	$	3,950,244	$	3,575,576

* At lower of cost (FIFO) or market

Less accumulated depreciation and amortization

+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Sales	1.08	2.62
%Net Income to Sales	0.86	1.68
%Net Income to Equity	3.76	7.06
Sales to Inventories	4.00	4.62
Working Capital	$1,050,771	$1,305,945
Current Ratio	1.60	1.92
Shareholders' Equity	$2,191,847	$2,080,355

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